

File No. 150110

Committee Item No. 7

Board Item No. 9

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date March 4, 2015

Board of Supervisors Meeting

Date March 10, 2015

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
| <input type="checkbox"/> | <input type="checkbox"/> | Public Correspondence |

OTHER (Use back side if additional space is needed)

- | | | |
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| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>RUC Resolution</u> |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |
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Completed by: Linda Wong Date February 27, 2015

Completed by: L.W. Date March 5, 2015

AMENDED IN COMMITTEE

3/4/15

FILE NO. 150110

RESOLUTION NO.

1 [Contract Approval - United States Department of Energy - Lawrence Livermore National
2 Laboratory - Estimated Revenue of \$29,865,584]

3 **Resolution retroactively authorizing the General Manager of the San Francisco Public**
4 **Utilities Commission to execute on behalf of the City and County of San Francisco, a**
5 **new 10-year water service contract with the United States Department of Energy for**
6 **continued water service to Lawrence Livermore National Lab, with an estimated**
7 **revenue of \$29,865,584 for the period of January 1, 2015, through December 31, 2024.**

8
9 WHEREAS, On June 27, 1960, per Resolution No. 20401, the SFPUC approved
10 Contract No. AT(04-3) – 269 for the sale and delivery of water to the U.S Department of
11 Energy (DOE) at the Lawrence Livermore National Laboratory (LLNL); and

12 WHEREAS, The San Francisco Public Utilities Commission (SFPUC) maintains and
13 operates water collection, treatment, and facilities for LLNL Site 300 at Thomas Shaft of the
14 Coast Range Tunnel and for LLNL Site 200 at Mocho Shaft of Coast Range Tunnel; and

15 WHEREAS, The DOE agrees to make appropriate corrections to the configuration of
16 their electrical facilities at Mocho Shaft that do not meet the California and National Electrical
17 Codes and applicable electric safety orders of the California Occupational Safety and Health
18 Administration and come into compliance no later than June 30, 2015; and

19 WHEREAS, Pursuant to the Contract, Modification #2, Article III, the DOE has
20 continued to exercise its option to renew the contract on an annual basis until 2014 when they
21 requested a new contract; and

22 WHEREAS, The new contract was requested in order to include language on how to
23 operate during periods of drought, as well as to clarify ownership of the facilities at the
24 Thomas and Mocho shaft sites; and

1 WHEREAS, On January 27, 2015, the SFPUC approved Resolution No. 15-0022,
2 authorizing the General Manager of the SFPUC to execute on behalf of the City and County of
3 San Francisco, a new 10-year water service contract with the United States Department of
4 Energy for continued water service to LLNL; and

5 WHEREAS, The estimated revenue for water service is \$29,865,584 over the 10 year
6 performance period specified in the contract, a copy of which is available in File Number
7 150110; and

8 WHEREAS, Services are anticipated to begin retroactively on January 1, 2015, and
9 end on December 31, 2024, and the total duration of this agreement is ten (10) years; now,
10 therefore, be it

11 RESOLVED, That the Board of Supervisors hereby authorizes the General Manager of
12 the San Francisco Public Utilities Commission to execute Contract No. DE-NA0002471 for the
13 sale and delivery of water to the DOE at the LLNL; and, be it

14 FURTHER RESOLVED, That within thirty (30) days of the contract being fully executed
15 by all parties, the SFPUC shall provide a final version of the contract to the Clerk of the Board
16 for inclusion into the official file.

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Item 7 File 15-0110	Department: San Francisco Public Utilities Commission
EXECUTIVE SUMMARY	
Legislative Objectives	
<p>The proposed resolution would authorize the SFPUC General Manager to execute a new 10-year water service contract with the United States Department of Energy, retroactive from July 1, 2014 through June 30, 2024, for the SFPUC to continue delivery of Hetch Hetchy water to the U.S. Department of Energy for the Lawrence Livermore National Lab.</p>	
Key Points	
<ul style="list-style-type: none"> • Since June 27, 1960, the SFPUC has sold and delivered Hetch Hetchy water to the U.S. Department of Energy for the Lawrence Livermore Field Office located at 7000 East Avenue in Livermore. • In 2014 SFPUC and the U.S. Department of Energy determined that a new contract was necessary, as the original contract had been amended several times making it difficult to accurately describe the current state of affairs at the two points of water delivery service to Lawrence Livermore. • Negotiations between SFPUC and the U.S. Department of Energy occurred from April 2014 through mid-January 2015, surpassing the term of the original contract, which expired on June 30, 2014, by more than six months. • During the negotiation period, SFPUC continued to provide water service without a contract, increasing the rates charged by SFPUC to the U.S. Department of Energy to the FY 2014-15 rates effective July 1, 2014 	
Fiscal Impact	
<ul style="list-style-type: none"> • Under the proposed contract, SFPUC is expected to receive average annual revenues of \$2,986,558 for the sale of 441,146 centum cubic feet (CCF) of water to Lawrence Livermore at an average rate of \$6.77 per CCF. • Over the 10-year term for the Hetch Hetchy water delivery to the Lawrence Livermore Lab, the SFPUC the U.S. Department of Energy would pay the SFPUC an estimated total of \$29,865,584. 	
Recommendations	
<ul style="list-style-type: none"> • Amend the proposed resolution to include the correct contract dates retroactive from January 1, 2015 through December 31, 2024. • Approve the proposed resolution, as amended. 	

MANDATE STATEMENT / BACKGROUND**Mandate Statement**

City Charter Section 9.118(a) states that contracts entered into by a department, board or commission that will generate revenue in excess of \$1 million or any modification of that contract is subject to Board of Supervisors approval.

Background

The San Francisco Public Utilities Commission (SFPUC) serves approximately 2.6 million residential, commercial, and industrial customers in the San Francisco Bay Area through a complex water supply system including reservoirs, tunnels, pipelines, and treatment systems stretching from Hetch Hetchy Reservoir in the Sierra Nevada Mountains to San Francisco. Two thirds of the wholesale water deliveries go to 26 suburban agencies in Alameda, Santa Clara, and San Mateo counties. Since June 1960, the United States (U.S.) Department of Energy's Lawrence Livermore National Lab (Lawrence Livermore) located in Alameda County, has been one of SFPUC's wholesale water customers.

Original Contract (1960-2014)

Since June 27, 1960, the SFPUC has sold and delivered Hetch Hetchy water to the U.S. Department of Energy for the Lawrence Livermore Field Office located at 7000 East Avenue in Livermore. Water for Lawrence Livermore is provided by Site 200 at Mocho Shaft and Site 300 at Thomas Shaft of the Coast Range Tunnel of the Hetch Hetchy Aqueduct. From 1960 to 2014, the U.S. Department of Energy exercised its option to renew the contract annually, adding several amendments over the past 54 years.

New Contract

According to Mr. David Briggs, SFPUC Water Supply and Treatment Division Manager, in 2014 SFPUC and the U.S. Department of Energy determined that a new contract was necessary, as the original contract had been amended several times making it difficult to accurately describe the current state of affairs at the two points of water delivery service to Lawrence Livermore. Since 1960, both SFPUC and Lawrence Livermore have added new facilities at the Thomas and Mocho shaft sites which were not fully reflected in the original contract. Determination of legal ownership of these facilities was unclear, and was clarified in the new contract.

Item D was also added which inserted language permitting SFPUC to take more restrictive measures to conserve water during severe droughts per California Water Code, Section 350. SFPUC may implement conservation measures as long as they notify the U.S. Department of Energy approximately 60 days in advance about the anticipated measures, as well as the estimated length of the measure.

Contract Negotiations

Negotiations between SFPUC and the U.S. Department of Energy occurred from April 2014 through mid-January 2015, surpassing the term of the original contract, which expired on June

30, 2014, by more than six months. According to Mr. Briggs, the six-month delay was primarily due to lengthy internal U.S. Department of Energy review periods, which led to significant delays during the back and forth of negotiations. During the negotiation period, SFPUC continued to provide water service without a contract, increasing the rates charged by SFPUC to the U.S. Department of Energy to the FY 2014-15 rates effective July 1, 2014. In the absence of a contract, the U.S. Department of Energy has continued to pay the SFPUC for the Hetch Hetchy water delivery to Lawrence Livermore National Lab. The U.S. Department of Energy is current in its payments.

Key topics of the negotiations and the new contract include:

- Ownership of property and facilities at Mocho Shaft and Thomas Shaft;
- Addition of information regarding natural gas hazards and liability;
- Changes to the Federal Acquisition Regulations requiring internal review and exchange of comments;
- Insertion of text regarding interruption of service; and
- Clarification of ownership of improvements at both locations.

According to Mr. Briggs, the contract between the SFPUC and the U.S. Department of Energy would be substantially the same as the prior contract which has been in place since 1960, with the exception of the additions and clarifications described above.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would authorize the SFPUC General Manager to execute a new 10-year water service contract with the United States Department of Energy, retroactive from July 1, 2014 through June 30, 2024, for the SFPUC to continue delivery of Hetch Hetchy water to the U.S. Department of Energy for the Lawrence Livermore National Lab. Total estimated revenues to SFPUC over the ten-year term of the contract are \$29,865,584.

On January 27, 2015, SFPUC approved Resolution No. 15-0022, authorizing the General Manager of SFPUC, following approval by the Board of Supervisors, to execute the subject contract with the U.S. Department of Energy for continued water service to Lawrence Livermore.

Contract Term

Although the proposed resolution states that the contract term is retroactive from July 1, 2014 through June 30, 2024, the contract states that the contract term is from January 1, 2015 through December 31, 2024. Therefore, the proposed resolution should be amended to include the correct contract dates.

FISCAL IMPACT

Under the proposed contract, the U.S. Department of Energy would pay the SFPUC an estimated total of \$29,865,584, based on estimated average annual revenues of \$2,986,558.40 over the 10-year term for the Hetch Hetchy water delivery to the Lawrence Livermore Lab. SFPUC conducts an independent rate survey every five years, and adjusts water rates accordingly. The water rates used to estimate total payments to SFPUC by Lawrence Livermore are based on the SFPUC Water Rate Schedule W1-C for commercial uses, which took effect July 1, 2014. The FY 2014-15 rate for commercial units of water is \$5.79 per centum cubic feet (CCF) and increases annually to \$7.65 per CCF by FY 2017-2018, averaging \$6.77 per CCF from 2014-2018.

Under the proposed contract, SFPUC is expected to receive average annual revenues of \$2,986,558 for the sale of 441,146 centum cubic feet (CCF) of water to Lawrence Livermore at an average rate of \$6.77 per CCF.

Actual revenues payable by the U.S. Department of Energy to SFPUC over the 10-year term of the proposed contract will likely be more than \$29,865,584 because the average rate per CCF over the final six years of the contract from 2019 through 2024 will likely be higher than \$6.77. The proposed contract states that "new rates will be incorporated into the contract as an Attachment, and the contract award amount, if necessary, shall be adjusted to reflect the change in rates."

RECOMMENDATIONS

1. Amend the proposed resolution to include the correct contract dates retroactive from January 1, 2015 through December 31, 2024.
2. Approve the proposed resolution, as amended.



**San Francisco
Water Power Sewer**
Services of the San Francisco Public Utilities Commission

525 Golden Gate Avenue, 13th Floor
San Francisco, CA 94102
T 415.554.3155
F 415.554.3155
TTY 415.554.3155

TO: Angela Calvillo, Clerk of the Board
FROM: Erin Hagan, Policy and Government Affairs Manager
DATE: February 2, 2015
SUBJECT: Memorandum of Understanding – Lawrence Livermore National Laboratory

RECEIVED
 BOARD OF SUPERVISORS
 SAN FRANCISCO
 2015 FEB -2 AM 11:24
 AK

Attached please find an original and one copy of a proposed resolution authorizing the General Manager of the San Francisco Public Utilities Commission to execute on behalf of the City and County of San Francisco, a new 10-year water service contract with the United States Department of Energy for continued water service to Lawrence Livermore National Lab.

The following is a list of accompanying documents (2 sets):

1. Board of Supervisors Resolution
2. SFPUC Resolution No. 20401
3. Contract No. AT(04-3) – 269
4. Modification #2, Article III to Contract No. AT(04-3) – 269
5. SFPUC Resolution No. 15-0022
6. Contract No. DE-NA0002471

Please contact Erin Hagan at 554-0706 if you need any additional information on these items.

- Edwin M. Lee**
Mayor
- Ann Moller Caen**
President
- Francesca Vietor**
Vice President
- Vince Courtney**
Commissioner
- Anson Moran**
Commissioner
- Harlan L. Kelly,**
General Manager



PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. 15-0022

WHEREAS, On June 27, 1960, per Resolution No. 20401, the San Francisco Public Utilities Commission (SFPUC) approved the Contract for the sale and delivery of water to the U.S Department of Energy (DOE) at the Lawrence Livermore National Laboratory (LLNL); and

WHEREAS, The SFPUC maintains and operates water collection, treatment, and facilities for LLNL Site 300 at Thomas Shaft of the Coast Range Tunnel and for LLNL Site 200 at Mocho Shaft of Coast Range Tunnel; and

WHEREAS, The DOE agrees to make appropriate corrections to the configuration of the DOE's electrical facilities at Mocho Shaft that do not meet the California and National Electrical Codes and applicable electric safety orders of the California Occupational Safety and Health Administration and come into compliance no later than June 30, 2015; and

WHEREAS, Pursuant to the Contract, Modification #2, Article III, the DOE has continued to exercise its option to renew the contract on an annual basis until 2014 when it requested a new contract; and

WHEREAS, The estimated revenue for water service is \$29,865,584.00 over the 10 year performance period specified in the contract; and

WHEREAS, Services are anticipated to begin retroactively on January 1, 2015 and end on December 31, 2024 and the total duration of this agreement is ten (10) years; now, therefore, be it

RESOLVED, That this Commission hereby authorizes the General Manager of the SFPUC to execute Contract No. DE-NA0002471 for the sale and delivery of water to the DOE at the LLNL, following approval by the Board of Supervisors under Charter section 9.118.

I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of January 27, 2015.



Secretary, Public Utilities Commission



AGENDA ITEM

Public Utilities Commission

City and County of San Francisco



DEPARTMENT Water Enterprise AGENDA NO. 10
 MEETING DATE January 27, 2015

Authorize Memorandum of Agreement: Regular Calendar
Project Manager: Sarah Rhodes

Authorize Water Service Contract with the United States Department of Energy for Lawrence Livermore National Laboratory

Summary of Proposed Commission Action:	Authorize the General Manager of the San Francisco Public Utilities Commission (SFPUC) to execute, on behalf of the City and County of San Francisco, a new 10-year water service contract with estimated revenue of \$29,865,584.00 with the United States Department of Energy for continued water service to Lawrence Livermore National Laboratory (LLNL), subject to Board of Supervisors approval pursuant to Charter Section 9.118.
Background:	On June 27, 1960, per Resolution No. 20401, the SFPUC approved the Contract for the sale and delivery of water to the U.S Department of Energy (DOE) at the LLNL. Since execution, the contract has been modified 6 times, most recently in 2010. Pursuant to the contract, Modification #2, Article III, the DOE has continued to exercise its option to renew the contract on an annual basis. In 2014, the DOE notified the SFPUC that it would like to execute a new contract for water service upon the expiration of the existing contract on June 30, 2014, rather than to renew. The terms of the new contract have been the subject of negotiations between SFPUC staff and DOE, NNSA Contracts and Procurement Division staff. This item will authorize the General Manager to execute a new 10-year water service contract with the DOE.
Description of Contract:	The contract between the SFPUC and the DOE will retroactively take effect on January 1, 2015. The contract will provide for the sale and delivery of water to the DOE/NNSA Livermore Field Office located at 7000 East Avenue, Livermore, CA 94550-0808 with a 10-year term. The water is delivered to two locations maintained and operated by the SFPUC:

APPROVAL: _____

COMMISSION
SECRETARY

Donna Hood

Authorize: Water Service Contract with the United States Department of Energy for Lawrence Livermore National Lab
Commission Meeting Date: January 27, 2015

	<ul style="list-style-type: none"> • Thomas Shaft of Coast Range Tunnel for Site 300; and • Mocho Shaft of Coast Range Tunnel for Site 200. <p>The DOE shall provide all pumping energy for Site 200. The SFPUC shall provide all pumping energy for Site 300. The contract includes provisions for scheduled maintenance of the Coast Range Tunnel and additional unscheduled maintenance or repair of the system. The contract details licensed access over SFPUC property for government-owned facilities and requires the DOE to complete work at Mocho Shaft to bring DOE's electrical facilities into compliance with code requirements by June 30, 2015.</p>
	<p>The SFPUC Water Enterprise will invoice according to the current schedule of rates, and/or adjusted rates as periodically updated by the SFPUC. The annual water use is projected to be 441,146 CCF. The contract covers the period from January 1, 2015 to December 31, 2024 with estimated ten (10) year revenue of \$29,865,584.00.</p>
Result of Inaction:	A delay in authorizing this contract will result in continued service without contract.
Budget & Costs:	The estimated revenue from this contract is \$29,865,584.00 over the 10 years.
Schedule:	The new contract will retroactively take effect on January 1, 2015. The total duration of this agreement is 10 years.
Recommendation:	SFPUC staff recommends that the Commission adopt the attached resolution.
Attachments:	<ol style="list-style-type: none"> 1. SFPUC Resolution 2. Contract DE-NA0002471

SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS
OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30

1. REQUISITION NUMBER _____ PAGE OF 1 35
 2. CONTRACT NO. DE-NA0002471 3. AWARD EFFECTIVE DATE 01/01/2015 4. ORDER NUMBER _____ 5. SOLICITATION NUMBER _____ 6. SOLICITATION ISSUE DATE _____

7. FOR SOLICITATION INFORMATION CALL: a. NAME Edward Williams III b. TELEPHONE NUMBER (No collect calls) 505-845-6874 8. OFFER DUE DATE/LOCAL TIME _____

9. ISSUED BY CODE 05001
 NNSA/Contracts & Procurement Div.
 U.S. Department of Energy
 Contracts and Procurement Division
 P.O. Box 5400
 Albuquerque NM 87185-5400

10. THIS ACQUISITION IS UNRESTRICTED OR SET ASIDE: % FOR: _____
 SMALL BUSINESS WOMEN-OWNED SMALL BUSINESS (WOSB) ELIGIBLE UNDER THE WOMEN-OWNED SMALL BUSINESS PROGRAM
 HUBZONE SMALL BUSINESS EDWOSB NAICS: 221310
 SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS 8(A) SIZE STANDARD: \$25.5

11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED SEE SCHEDULE 12. DISCOUNT TERMS NET 30 13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700) 13b. RATING _____ 14. METHOD OF SOLICITATION RFP IFB RFP

15. DELIVER TO CODE _____ 16. ADMINISTERED BY CODE 05001
 DOE/NNSA LIVERMORE FIELD OFFICE
 7000 EAST AVENUE
 LIVERMORE CA 94550-0808

NNSA/Contracts & Procurement Div.
 U.S. Department of Energy
 Contracts and Procurement Division
 P.O. Box 5400
 Albuquerque NM 87185-5400

17a. CONTRACTOR/OFFEROR CODE 027659064 FACILITY CODE _____ 18a. PAYMENT WILL BE MADE BY CODE 00503
 SAN FRANCISCO, CITY & COUNTY OF
 Attn: SANDA THAIK
 525 Golden Gate Avenue
 SAN FRANCISCO CA 94102

OR for NNSA
 U.S. Department of Energy
 Oak Ridge Financial Service Center
 P.O. Box 5807
 Oak Ridge TN 37831

TELEPHONE NO. 4154875224

17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER 18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED SEE ADDENDUM

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
	POTABLE WATER SERVICE. Period of Performance: 01/01/2015 to 12/31/2024				
<i>(Use Reverse and/or Attach Additional Sheets as Necessary)</i>					

25. ACCOUNTING AND APPROPRIATION DATA 26. TOTAL AWARD AMOUNT (For Govt. Use Only)
 \$29,865,584.00

27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4. FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA ARE ARE NOT ATTACHED.
 27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4. FAR 52.212-5 IS ATTACHED. ADDENDA ARE ARE NOT ATTACHED.

28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN 1 COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED. 29. AWARD OF CONTRACT: _____ OFFER DATED _____ YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS:

30a. SIGNATURE OF OFFEROR/CONTRACTOR _____ 31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER) _____

30b. NAME AND TITLE OF SIGNER (Type or print) _____ 30c. DATE SIGNED _____ 31b. NAME OF CONTRACTING OFFICER (Type or print) Yolanda Robinson-Freeman 31c. DATE SIGNED _____

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT

32a. QUANTITY IN COLUMN 21 HAS BEEN
 RECEIVED INSPECTED ACCEPTED, AND CONFORMS TO THE CONTRACT, EXCEPT AS NOTED: _____

32b. SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE 32c. DATE 32d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT REPRESENTATIVE

32e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE 32f. TELEPHONE NUMBER OF AUTHORIZED GOVERNMENT REPRESENTATIVE
 32g. E-MAIL OF AUTHORIZED GOVERNMENT REPRESENTATIVE

33. SHIP NUMBER 34. VOUCHER NUMBER 35. AMOUNT VERIFIED CORRECT FOR 36. PAYMENT 37. CHECK NUMBER
 PARTIAL FINAL COMPLETE PARTIAL FINAL

38. S/R ACCOUNT NUMBER 39. S/R VOUCHER NUMBER 40. PAID BY

I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT
 41b. SIGNATURE AND TITLE OF CERTIFYING OFFICER 41c. DATE 42a. RECEIVED BY (Print)
 42b. RECEIVED AT (Location)
 42c. DATE REC'D (YY/MM/DD) 42d. TOTAL CONTAINERS

CONTRACT / SOLICITATION / ORDER NUMBER

DE-NA0002471

CONTRACT SPECIALIST

EDWARD W. WILLIAMS

United States Department of Energy
NNSA Office of Acquisition Management
Attn: Edward W. Williams, Bldg 388 / NA-APM-123.1
P. O. Box 5400
Albuquerque, NM 87185-5400

Phone: 505-845-6874
EMail: ed.williams@nnsa.doe.gov

CONTRACTING OFFICER'S REPRESENTATIVE

MARK ZULIM
Phone: (925) 422-7396
EMail: mark.zulim@nnsa.doe.gov

ITEM	SUPPLIES OR SERVICES	Qty Purch Unit	Unit Price Total Item Amount
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POTABLE WATER SERVICE

0001		1	\$29,865,584.00
		Lot	\$29,865,584.00

Noun: POTABLE WATER SERVICE
ACRN: U
Contract type: J - FIRM FIXED PRICE
Inspection: DESTINATION
Acceptance: DESTINATION
FOB: DESTINATION

Descriptive Data:

A. The Contractor shall furnish all personnel, facilities, services, materials, supplies (except as may be expressly set forth in this contract as furnished by the Government) and otherwise do all things necessary for, or incidental to, providing the requirements specified in the Statement of Work entitled "Primary Potable Water Service, San Francisco Public Utilities", Attachment (1) to this contract.

B. A review of this contract will be conducted by the (NNSA) each year to ensure the annual rates are current. If the rates have changed, ensure that the changes are appropriately adjusted and/or a copy of the new rates will be obtained and will be made a part of this contract by incorporation as an Attachment. The contract award amount, if necessary, shall be adjusted to reflect the change(s) in the rates.

C. **10 CFR 851, "Worker Safety and Health Program"**: In accordance with DOE G 440.1-8, Page 11, subparagraph 3.1.3.3.5 "Utility Providers", utility providers are not considered service contractors and are not subject to Part 851.

D. In emergency situations, such as severe droughts, SFPUC under the California Water Code, Section 350 may take more restrictive measures to conserve water. SFPUC will notify LFO approximately 60 days prior to the pending water conservation measure(s) anticipated to be implemented or as soon as possible thereafter (depending on the severity of the situation), and the estimated length of the pending water conservation measure(s) to allow LFO adequate time to invoke alternative resources for its water needs.

E. The estimated annual cost is \$2,986,558.40.

F. The estimated ten (10) year cost for the performance period of this contract is \$29,865,584.00 that includes an overall estimated annual cost increase per discussions with the San Francisco Public Utilities Commission representative.

G. The ten year period of performance begins 1 January 2015 and ends 31 December 2024.

<u>ITEM</u>	<u>SUPPLIES SCHEDULE DATA</u>	<u>QTY</u>	<u>DATE</u>
0001		1	31 Dec 2024
	<i>Noun:</i> <i>ACRN:</i>	POTABLE WATER SERVICE U	

1. FAR 52.202-1 DEFINITIONS (DEVIATION) (Nov 2013)

(a) When a solicitation provision or contract clause uses a word or term that is defined in the Federal Acquisition Regulation (FAR), the word or term has the same meaning as the definition in FAR 2.101 in effect at the time the solicitation was issued, unless--

- (1) The solicitation, or amended solicitation, provides a different definition;
- (2) The contracting parties agree to a different definition;
- (3) The part, subpart, or section of the FAR where the provision or clause is prescribed provides a different meaning; or
- (4) The word or term is defined in FAR Part 31, for use in the cost principles and procedures.

(b) When a solicitation provision or contract clause uses a word or term that is defined in the Department of Energy Acquisition Regulation (DEAR) (48 CFR chapter 9), the word or term has the same meaning as the definition in 48 CFR 902.101 or the definition in the part, subpart, or section of 48 CFR chapter 9 where the provision or clause is prescribed in effect at the time the solicitation was issued, unless an exception in (a) applies.

(End of clause)

2. FAR 52.203-5 COVENANT AGAINST CONTINGENT FEES (May 2014)

(a) The Contractor warrants that no person or agency has been employed or retained to solicit or obtain this contract upon an agreement or understanding for a contingent fee, except a bona fide employee or agency. For breach or violation of this warranty, the Government shall have the right to annul this contract without liability or to deduct from the contract price or consideration, or otherwise recover, the full amount of the contingent fee.

(b) "Bona fide agency," as used in this clause, means an established commercial or selling agency, maintained by a Contractor for the purpose of securing business, that neither exerts nor proposes to exert improper influence to solicit or obtain Government contracts nor holds itself out as being able to obtain any Government contract or contracts through improper influence.

"Bona fide employee," as used in this clause, means a person, employed by a Contractor and subject to the Contractor's supervision and control as to time, place, and manner of performance, who neither exerts nor proposes to exert improper influence to solicit or obtain Government contracts nor holds out as being able to obtain any Government contract or contracts through improper influence.

"Contingent fee," as used in this clause, means any commission, percentage, brokerage, or other fee that is contingent upon the success that a person or concern has in securing a Government contract.

"Improper influence," as used in this clause, means any influence that induces or tends to induce a Government employee or officer to give consideration or to act regarding a Government contract on any basis other than the merits of the matter.

(End of clause)

**3. FAR 52.203-6 RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT
(Sep 2006) ALTERNATE I (OCT 1995)**

(a) Except as provided in (b) of this clause, the Contractor shall not enter into any agreement with an actual or prospective subcontractor, nor otherwise act in any manner, which has or may have the effect of restricting sales by such subcontractors directly to the Government of any item or process (including computer software) made or furnished by the subcontractor under this contract or under any follow-on production contract.

(b) The prohibition in paragraph (a) of this clause does not preclude the Contractor from asserting rights that are otherwise authorized by law or regulation. For acquisitions of commercial items, the prohibition in paragraph (a) applies only to the extent that any agreement restricting sales by subcontractors results in the Federal Government being treated differently from any other prospective purchaser for the sale of the commercial item(s).

(c) The Contractor agrees to incorporate the substance of this clause, including this paragraph (c), in all subcontracts under this contract which exceed the simplified acquisition threshold.

(End of clause)

4. FAR 52.203-7 ANTI-KICKBACK PROCEDURES (May 2014)

(a) Definitions.

"Kickback," as used in this clause, means any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind which is provided to any prime Contractor, prime Contractor employee, subcontractor, or subcontractor employee for the purpose of improperly obtaining or rewarding favorable treatment in connection with a prime contract or in connection with a subcontract relating to a prime contract.

"Person," as used in this clause, means a corporation, partnership, business association of any kind, trust, joint-stock company, or individual.

"Prime contract," as used in this clause, means a contract or contractual action entered into by the United States for the purpose of obtaining supplies, materials, equipment, or services of any kind.

"Prime Contractor" as used in this clause, means a person who has entered into a prime contract with the United States.

"Prime Contractor employee," as used in this clause, means any officer, partner, employee, or agent of a prime Contractor.

"Subcontract," as used in this clause, means a contract or contractual action entered into by a prime Contractor or subcontractor for the purpose of obtaining supplies, materials, equipment, or services of any kind under a prime contract.

"Subcontractor," as used in this clause,

(1) means any person, other than the prime Contractor, who offers to furnish or furnishes any supplies, materials, equipment, or services of any kind under a prime contract or a subcontract entered into in connection with such prime contract, and

(2) includes any person who offers to furnish or furnishes general supplies to the prime Contractor or a higher tier subcontractor.

"Subcontractor employee," as used in this clause, means any officer, partner, employee, or agent of a subcontractor.

(b) 41 U.S.C. chapter 87, Kickbacks, prohibits any person from--

- (1) Providing or attempting to provide or offering to provide any kickback;
- (2) Soliciting, accepting, or attempting to accept any kickback; or
- (3) Including, directly or indirectly, the amount of any kickback in the contract price charged by a prime Contractor to the United States or in the contract price charged by a subcontractor to a prime Contractor or higher tier subcontractor.

(c)

(1) The Contractor shall have in place and follow reasonable procedures designed to prevent and detect possible violations described in paragraph (b) of this clause in its own operations and direct business relationships.

(2) When the Contractor has reasonable grounds to believe that a violation described in paragraph (b) of this clause may have occurred, the Contractor shall promptly report in writing the possible violation. Such reports shall be made to the inspector general of the contracting agency, the head of the contracting agency if the agency does not have an inspector general, or the Attorney General.

(3) The Contractor shall cooperate fully with any Federal agency investigating a possible violation described in paragraph (b) of this clause.

(4) The Contracting Officer may

(i) offset the amount of the kickback against any monies owed by the United States under the prime contract and/or

(ii) direct that the Prime Contractor withhold from sums owed a subcontractor under the prime contract the amount of the kickback. The Contracting Officer may order that monies withheld under subdivision (c)(4)(ii) of this clause be paid over to the Government unless the Government has already offset those monies under subdivision (c)(4)(i) of this clause. In either case, the Prime Contractor shall notify the Contracting Officer when the monies are withheld.

(5) The Contractor agrees to incorporate the substance of this clause, including subparagraph (c)(5) but excepting subparagraph (c)(1), in all subcontracts under this contract which exceed \$150,000.

(End of clause)

5. FAR 52.203-17 CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (Apr 2014)

(a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.

(b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.

(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

(End of clause)

6. FAR 52.212-4 ADDENDUM TO CONTRACT TERMS AND CONDITIONS--COMMERCIAL ITEMS (Sep 2013)

52.212-4, Contract Terms and Conditions -- Commercial Items is hereby tailored as follows:

(a) The place of inspection, acceptance, and FOB is destination .

(b) See Attachment 5 of this contract for a full readable version of this clause.

(End of clause)

7. FAR 52.223-17 AFFIRMATIVE PROCUREMENT OF EPA-DESIGNATED ITEMS IN SERVICE AND CONSTRUCTION CONTRACTS (May 2008)

(a) In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired--

(1) Competitively within a timeframe providing for compliance with the contract performance schedule;

(2) Meeting contract performance requirements; or

(3) At a reasonable price.

(b) Information about this requirement is available at EPA's Comprehensive Procurement Guidelines web site, <http://www.epa.gov/cpg/>. The list of EPA-designated items is available at <http://www.epa.gov/cpg/products.htm>.

(End of clause)

8. FAR 52.232-1 PAYMENTS (Apr 1984)

The Government shall pay the Contractor, upon the submission of proper invoices or vouchers, the prices stipulated in this contract for supplies delivered and accepted or services rendered and accepted, less any deductions provided in this contract. Unless otherwise specified in this contract, payment shall be made on partial deliveries accepted by the Government if--

(a) The amount due on the deliveries warrants it; or

(b) The Contractor requests it and the amount due on the deliveries is at least \$1,000 or 50 percent of the total contract price.

(End of clause)

9. FAR 52.232-39 UNENFORCEABILITY OF UNAUTHORIZED OBLIGATIONS (Jun 2013)

(a) Except as stated in paragraph (b) of this clause, when any supply or service acquired under this contract is subject to any End User License Agreement (EULA), Terms of Service (TOS), or similar legal instrument or agreement, that includes any clause requiring the Government to indemnify the Contractor or any person or entity for damages, costs, fees, or any other loss or liability that would create an Anti-Deficiency Act violation (31 U.S.C. 1341), the following shall govern:

(1) Any such clause is unenforceable against the Government.

(2) Neither the Government nor any Government authorized end user shall be deemed to have agreed to such clause by virtue of it appearing in the EULA, TOS, or similar legal instrument or agreement. If the EULA, TOS, or similar legal instrument or agreement is invoked through an "I agree" click box or other comparable mechanism (e.g., "click-wrap" or "browse-wrap" agreements), execution does not bind the Government or any Government authorized end user to such clause.

(3) Any such clause is deemed to be stricken from the EULA, TOS, or similar legal instrument or agreement.

(b) Paragraph (a) of this clause does not apply to indemnification by the Government that is expressly authorized by statute and specifically authorized under applicable agency regulations and procedures.

(End of clause)

10. FAR 52.233-3 PROTEST AFTER AWARD (Aug 1996)

(a) Upon receipt of a notice of protest (as defined in FAR 33.101) or a determination that a protest is likely (see FAR 33.102(d)), the Contracting Officer may, by written order to the Contractor, direct the Contractor to stop performance of the work called for by this contract. The order shall be specifically identified as a stop-work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage. Upon receipt of the final decision in the protest, the Contracting Officer shall either--

(1) Cancel the stop-work order; or

(2) Terminate the work covered by the order as provided in the Default, or the Termination for Convenience of the Government, clause of this contract.

(b) If a stop-work order issued under this clause is canceled either before or after a final decision in the protest, the Contractor shall resume work. The Contracting Officer shall make an equitable adjustment in the delivery schedule or contract price, or both, and the contract shall be modified, in writing, accordingly, if--

(1) The stop-work order results in an increase in the time required for, or in the Contractor's cost properly allocable to, the performance of any part of this contract; and

(2) The Contractor asserts its right to an adjustment within 30 days after the end of the period of work stoppage; provided, that if the Contracting Officer decides the facts justify the action, the Contracting Officer may receive and act upon a proposal at any time before final payment under this contract.

(c) If a stop-work order is not canceled and the work covered by the order is terminated for the convenience of the Government, the Contracting Officer shall allow reasonable costs resulting from the stop-work order in arriving at the termination settlement.

(d) If a stop-work order is not canceled and the work covered by the order is terminated for default, the Contracting Officer shall allow, by equitable adjustment or otherwise, reasonable costs resulting from the stop-work order.

(e) The Government's rights to terminate this contract at any time are not affected by action taken under this clause.

(f) If, as the result of the Contractor's intentional or negligent misstatement, misrepresentation, or miscertification, a protest related to this contract is sustained, and the Government pays costs, as provided in FAR 33.102(b)(2) or 33.104(h)(1), the Government may require the Contractor to reimburse the Government the amount of such costs. In addition to any other remedy available, and pursuant to the requirements of Subpart 32.6, the Government may collect this debt by offsetting the amount against any payment due the Contractor under any contract between the Contractor and the Government.

(End of clause)

11. FAR 52.233-4 APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM (Oct 2004)

United States law will apply to resolve any claim of breach of this contract.

(End of clause)

12. FAR 52.237-2 PROTECTION OF GOVERNMENT BUILDINGS, EQUIPMENT, AND VEGETATION (Apr 1984)

The Contractor shall use reasonable care to avoid damaging existing buildings, equipment, and vegetation on the Government installation. If the Contractor's failure to use reasonable care causes damage to any of this property, the Contractor shall replace or repair the damage at no expense to the Government as the Contracting Officer directs. If the Contractor fails or refuses to make such repair or replacement, the Contractor shall be liable for the cost, which may be deducted from the contract price.

(End of clause)

13. FAR 52.241-2 ORDER OF PRECEDENCE -- UTILITIES (Feb 1995)

In the event of any inconsistency between the terms of this contract (including the specifications) and any rate schedule, rider, or exhibit incorporated in this contract by reference or otherwise, or any of the Contractor's rules and regulations, the terms of this contract shall control.

(End of clause)

14. FAR 52.241-3 SCOPE AND DURATION OF CONTRACT (Feb 1995)

(a) For the period beginning 1 January 2015 through 31 December 2024 the Contractor agrees to furnish and the Government agrees to purchase potable water utility service in accordance with the applicable tariff(s), rules, and regulations as approved by the applicable governing regulatory body and as set forth in the contract.

(b) It is expressly understood that neither the Contractor nor the Government is under any obligation to continue any service under the terms and conditions of this contract beyond the expiration date.

(c) The Contractor shall provide the Government with one complete set of rates, terms, and conditions of service which are in effect as of the date of this contract and any subsequently approved rates.

(d) The Contractor shall be paid at the applicable rate(s) under the tariff and the Government shall be liable for the minimum monthly charge, if any, specified in this contract commencing with the period in which service is initially furnished and continuing for the term of this contract. Any minimum monthly charge specified in this contract shall be equitably prorated for the periods in which commencement and termination of this contract become effective.

(End of clause)

15. FAR 52.241-4 CHANGE IN CLASS OF SERVICE (Feb 1995)

(a) In the event of a change in the class of service, such service shall be provided at the Contractor's lowest available rate schedule applicable to the class of service furnished.

(b) Where the Contractor does not have on file with the regulatory body approved rate schedules applicable to services provided, no clause in this contract shall preclude the parties from negotiating a rate schedule applicable to the class of service furnished.

(End of clause)

16. FAR 52.241-5 CONTRACTOR'S FACILITIES (Feb 1995)

(a) The Contractor, at its expense, unless otherwise provided for in this contract, shall furnish, install, operate, and maintain all facilities required to furnish service hereunder, and measure such service at the point of delivery specified in the Service Specifications. Title to all such facilities shall remain with the Contractor and the Contractor shall be responsible for loss or damage to such facilities, except that the Government shall be responsible to the extent that loss or damage has been caused by the Government's negligent acts or omissions.

(b) Notwithstanding any terms expressed in this clause, the Contractor shall obtain approval from the Contracting Officer prior to any equipment installation, construction, or removal. The Government hereby grants to the Contractor, free of any rental or similar charge, but subject to the limitations specified in this contract, a revocable permit or license to enter the service location for any proper purpose under this contract. This permit or license includes use of the site or sites agreed upon by the parties hereto for the installation, operation, maintenance, and repair of the facilities of the Contractor required to be located upon Government premises. All applicable taxes and other charges in connection therewith, together with all liability of the Contractor in construction, operation, maintenance and repair of such facilities, shall be the obligation of the Contractor.

(c) Authorized representatives of the Contractor will be allowed access to the facilities on Government premises at reasonable times to perform the obligations of the Contractor regarding such facilities. It is expressly understood that the Government may limit or restrict the right of access herein granted in any manner considered necessary (e.g., national security, public safety).

(d) Unless otherwise specified in this contract, the Contractor shall, at its expense, remove such facilities and restore Government premises to their original condition as near as practicable within a reasonable time after the Government terminates this contract. In the event

such termination of this contract is due to the fault of the Contractor, such facilities may be retained in place at the option of the Government for a reasonable time while the Government attempts to obtain service elsewhere comparable to that provided for hereunder.

(End of clause)

17. FAR 52.241-6 SERVICE PROVISIONS (Feb 1995)

(a) Measurement of service.

(1) All service furnished by the Contractor shall be measured by suitable metering equipment of standard manufacture, to be furnished, installed, maintained, repaired, calibrated, and read by the Contractor at its expense. When more than a single meter is installed at a service location, the readings thereof may be billed conjunctively, if appropriate. In the event any meter fails to register (or registers incorrectly) the service furnished, the parties shall agree upon the length of time of meter malfunction and the quantity of service delivered during such period of time. An appropriate adjustment shall be made to the next invoice for the purpose of correcting such errors. However, any meter which registers not more than 2 % percent slow or fast shall be deemed correct.

(2) The Contractor shall read all meters at periodic intervals of approximately 30 days or in accordance with the policy of the cognizant regulatory body or applicable bylaws. All billings based on meter readings of less than 30 days shall be prorated accordingly.

(b) Meter test.

(1) The Contractor, at its expense, shall periodically inspect and test Contractor-installed meters at intervals not exceeding one year(s) The Government has the right to have representation during the inspection and test.

(2) At the written request of the Contracting Officer, the Contractor shall make additional tests of any or all such meters in the presence of Government representatives. The cost of such additional tests shall be borne by the Government if the percentage of errors is found to be not more than 2 % percent slow or fast.

(3) No meter shall be placed in service or allowed to remain in service which has an error in registration in excess of 2 % percent under normal operating conditions.

(c) Change in volume or character. Reasonable notice shall be given by the Contracting Officer to the Contractor regarding any material changes anticipated in the volume or characteristics of the utility service required at each location.

(d) Continuity of service and consumption. The Contractor shall use reasonable diligence to provide a regular and uninterrupted supply of service at each service location, but shall not be liable for damages, breach of contract or otherwise, to the Government for failure, suspension, diminution, or other variations of service occasioned by or in consequence of any cause beyond the control of the Contractor, including but not limited to acts of God or of the public enemy, fires, floods, earthquakes, or other catastrophe, strikes, or failure or breakdown of transmission or other facilities. If any such failure, suspension, diminution, or other variation of service shall aggregate more than NA hour(s) during any billing period hereunder, an equitable adjustment shall be made in the monthly billing specified in this contract (including the minimum monthly charge).

(End of clause)

18. FAR 52.241-7 CHANGE IN RATES OR TERMS AND CONDITIONS OF SERVICE FOR REGULATED SERVICES (Feb 1995)

(a) This clause applies to the extent services furnished under this contract are subject to regulation by a regulatory body. The Contractor agrees to give 45 days written notice of (1) the filing of an application for change in rates or terms and conditions of service concurrently with the filing of the application and (2) any changes pending with the regulatory body as of the date of contract award. Such notice shall fully describe the proposed change. If, during the term of this contract, the regulatory body having jurisdiction approves any changes, the Contractor shall forward to the Contracting Officer a copy of such changes within 15 days after the effective date thereof. The Contractor agrees to continue furnishing service under this contract in accordance with the amended tariff, and the Government agrees to pay for such service at the higher or lower rates as of the date when such rates are made effective.

(b) The Contractor agrees that throughout the life of this contract the applicable published and unpublished rate schedule(s) shall not be in excess of the lowest cost published and unpublished rate schedule(s) available to any other customers of the same class under similar conditions of use and service.

(c) In the event that the regulatory body promulgates any regulation concerning matters other than rates which affects this contract, the Contractor shall immediately provide a copy to the Contracting Officer. The Government shall not be bound to accept any new regulation inconsistent with Federal laws or regulations.

(d) Any changes to rates or terms and conditions of service shall be made a part of this contract by the issuance of a contract modification unless otherwise specified in the contract. The effective date of the change shall be the effective date by the regulatory body. Any factors not governed by the regulatory body will have an effective date as agreed to by the parties.

(End of clause)

19. FAR 52.241-11 MULTIPLE SERVICE LOCATIONS (Feb 1995)

(a) At any time by written order, the Contracting Officer may designate any location within the service area of the Contractor at which utility service shall commence or be discontinued. Any changes to the service specifications shall be made a part of the contract by the issuance of a contract modification to include the name and location of the service, specifying any different rate, the point of delivery, different service specifications, and any other terms and conditions.

(b) The applicable monthly charge specified in this contract shall be equitably prorated from the period in which commencement or discontinuance of service at any service location designated under the Service Specifications shall become effective.

(End of clause)

20. FAR 52.242-13 BANKRUPTCY (Jul 1995)

In the event the Contractor enters into proceedings relating to bankruptcy, whether voluntary or involuntary, the Contractor agrees to furnish, by certified mail or electronic commerce method authorized by the contract, written notification of the bankruptcy to the Contracting Officer responsible for administering the contract. This notification shall be furnished within five days of the initiation of the proceedings relating to bankruptcy filing. This notification shall include the date on which the bankruptcy petition was filed, the identity of the court in which the bankruptcy petition was filed, and a listing of Government contract numbers and contracting offices for all Government contracts against which final payment has not been made. This obligation remains in effect until final payment under this contract.

(End of clause)

21. FAR 52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS (May 2014)

(a) Definitions. As used in this clause--

"Commercial item" has the meaning contained Federal Acquisition Regulation 2.101, Definitions.

"Subcontract" includes a transfer of commercial items between divisions, subsidiaries, or affiliates of the Contractor or subContractor at any tier.

(b) To the maximum extent practicable, the Contractor shall incorporate, and require its subContractors at all tiers to incorporate, commercial items or nondevelopmental items as components of items to be supplied under this contract.

(c)

(1) The Contractor shall insert the following clauses in subcontracts for commercial items:

(i) 52.203-13, Contractor Code of Business Ethics and Conduct (Apr 2010) (41 U.S.C. 3509), if the subcontract exceeds \$5,000,000 and has a performance period of more than 120 days. In altering this clause to identify the appropriate parties, all disclosures of violation of the civil False Claims Act or of Federal criminal law shall be directed to the agency Office of the Inspector General, with a copy to the Contracting Officer.

(ii) 52.203-15, Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 (JUN 2010) (Section 1553 of Pub. L. 111-5), if the subcontract is funded under the Recovery Act.

(iii) 52.219-8, Utilization of Small Business Concerns (May 2014) (15 U.S.C. 637(d)(2) and (3)), if the subcontract offers further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds \$650,000 (\$1.5 million for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

(iv) 52.222-26, Equal Opportunity (Mar 2007) (E.O. 11246).

(v) 52.222-35, Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Sep 2006) (38 U.S.C. 4212(a));

(vi) 52.222-36, Affirmative Action for Workers with Disabilities (Oct 2010) (29 U.S.C. 793).

(vii) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (DEC 2010) (E.O. 13496), if flow down is required in accordance with paragraph (f) of FAR clause 52.222-40.

(viii) 52.222-50, Combating Trafficking in Persons (Feb 2009) (22 U.S.C. 7104(g)).

(ix) 52.225-26, Contractors Performing Private Security Functions Outside the United States Jul 2013) (Section 862, as amended, of the National Defense Authorization Act for Fiscal Year 2008; 10 U.S.C. 2302 Note).

(x) 52.232-40, Providing Accelerated Payments to Small Business Subcontractors (Dec 2013), if flow down is required in accordance with paragraph (c) of FAR clause 52.232-40.

(xi) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006) (46 U.S.C. App. 1241 and 10 U.S.C. 2631), if flow down is required in accordance with paragraph (d) of FAR clause 52.247-64.

(2) While not required, the Contractor may flow down to subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.

(d) The Contractor shall include the terms of this clause, including this paragraph (d), in subcontracts awarded under this contract.

(End of clause)

22. FAR 52.245-1 GOVERNMENT PROPERTY (Apr 2012)

(a) Definitions. As used in this clause-

"Cannibalize" means to remove parts from Government property for use or for installation on other Government property.

"Contractor-acquired property" means property acquired, fabricated, or otherwise provided by the Contractor for performing a contract, and to which the Government has title.

"Contractor inventory" means-

(1) Any property acquired by and in the possession of a Contractor or subcontractor under a contract for which title is vested in the Government and which exceeds the amounts needed to complete full performance under the entire contract;

(2) Any property that the Government is obligated or has the option to take over under any type of contract, e.g., as a result either of any changes in the specifications or plans thereunder or of the termination of the contract (or subcontract thereunder), before completion of the work, for the convenience or at the option of the Government; and

(3) Government-furnished property that exceeds the amounts needed to complete full performance under the entire contract.

"Contractor's managerial personnel" means the Contractor's directors, officers, managers, superintendents, or equivalent representatives who have supervision or direction of-

(1) All or substantially all of the Contractor's business;

(2) All or substantially all of the Contractor's operation at any one plant or separate location; or

(3) A separate and complete major industrial operation.

"Demilitarization" means rendering a product unusable for, and not restorable to, the purpose for which it was designed or is customarily used.

"Discrepancies incident to shipment" means any differences (e.g., count or condition) between the items documented to have been shipped and items actually received.

"Equipment" means a tangible item that is functionally complete for its intended purpose, durable, nonexpendable, and needed for the performance of a contract. Equipment is not intended for sale, and does not ordinarily lose its identity or become a component part of another article when put into use. Equipment does not include material, real property, special test equipment or special tooling.

"Government-furnished property" means property in the possession of, or directly acquired by, the Government and subsequently furnished to the Contractor for performance of a contract. Government-furnished property includes, but is not limited to, spares and property furnished for repair, maintenance, overhaul, or modification. Government-furnished property also includes contractor-acquired property if the contractor-acquired property is a deliverable under a cost contract when accepted by the Government for continued use under the contract.

"Government property" means all property owned or leased by the Government. Government property includes both Government-furnished and Contractor-acquired property. Government property includes material, equipment, special tooling, special test equipment, and real property. Government property does not include intellectual property and software.

"Loss of Government Property" means unintended, unforeseen or accidental loss, damage or destruction to Government property that reduces the Government's expected economic benefits of the property. Loss of Government property does not include purposeful destructive testing, obsolescence, normal wear and tear or manufacturing defects. Loss of Government property includes, but is not limited to-

- (1) Items that cannot be found after a reasonable search:
- (2) Theft:
- (3) Damage resulting in unexpected harm to property requiring repair to restore the item to usable condition; or
- (4) Destruction resulting from incidents that render the item useless for its intended purpose or beyond economical repair.

"Material" means property that may be consumed or expended during the performance of a contract, component parts of a higher assembly, or items that lose their individual identity through incorporation into an end item. Material does not include equipment, special tooling, special test equipment or real property.

"Nonseverable" means property that cannot be removed after construction or installation without substantial loss of value or damage to the installed property or to the premises where installed.

"Precious metals" means silver, gold, platinum, palladium, iridium, osmium, rhodium, and ruthenium.

"Production scrap" means unusable material resulting from production, engineering, operations and maintenance, repair, and research and development contract activities. Production scrap may have value when re-melted or reprocessed, e.g., textile and metal clippings, borings, and faulty castings and forgings.

"Property" means all tangible property, both real and personal.

"Property Administrator" means an authorized representative of the Contracting Officer appointed in accordance with agency procedures, responsible for administering the contract requirements and obligations relating to Government property in the possession of a Contractor.

"Property records" means the records created and maintained by the contractor in support of its stewardship responsibilities for the management of Government property.

"Provide" means to furnish, as in Government-furnished property, or to acquire, as in contractor-acquired property.

"Real property." See Federal Management Regulation 102-71.20 (41 CFR 102-71.20).

"Sensitive property" means property potentially dangerous to the public safety or security if stolen, lost, or misplaced, or that shall be subject to exceptional physical security, protection, control, and accountability. Examples include weapons, ammunition, explosives, controlled substances, radioactive materials, hazardous materials or wastes, or precious metals.

"Unit acquisition cost" means-

(1) For Government-furnished property, the dollar value assigned by the Government and identified in the contract; and

(2) For contractor-acquired property, the cost derived from the Contractor's records that reflect consistently applied generally accepted accounting principles.

(b) Property management.

(1) The Contractor shall have a system to manage (control, use, preserve, protect, repair and maintain) Government property in its possession. The system shall be adequate to satisfy the requirements of this clause. In doing so, the Contractor shall initiate and maintain the processes, systems, procedures, records, and methodologies necessary for effective and efficient control of Government property. The Contractor shall disclose any significant changes to its property management system to the Property Administrator prior to implementation of the changes. The Contractor may employ customary commercial practices, voluntary consensus standards, or industry-leading practices and standards that provide effective and efficient Government property management that are necessary and appropriate for the performance of this contract (except where inconsistent with law or regulation).

(2) The Contractor's responsibility extends from the initial acquisition and receipt of property, through stewardship, custody, and use until formally relieved of responsibility by authorized means, including delivery, consumption, expending, sale (as surplus property), or other disposition, or via a completed investigation, evaluation, and final determination for lost property. This requirement applies to all Government property under the Contractor's accountability, stewardship, possession or control, including its vendors or subcontractors (see paragraph (f)(1)(v) of this clause).

(3) The Contractor shall include the requirements of this clause in all subcontracts under which Government property is acquired or furnished for subcontract performance.

(4) The Contractor shall establish and maintain procedures necessary to assess its property management system effectiveness and shall perform periodic internal reviews, surveillances, self assessments, or audits. Significant findings or results of such reviews and audits pertaining to Government property shall be made available to the Property Administrator.

(c) Use of Government property.

(1) The Contractor shall use Government property, either furnished or acquired under this contract, only for performing this contract, unless otherwise provided for in this contract or approved by the Contracting Officer.

(2) Modifications or alterations of Government property are prohibited, unless they are-

(i) Reasonable and necessary due to the scope of work under this contract or its terms and conditions;

(ii) Required for normal maintenance; or

(iii) Otherwise authorized by the Contracting Officer.

(3) The Contractor shall not cannibalize Government property unless otherwise provided for in this contract or approved by the Contracting Officer.

(d) Government-furnished property.

(1) The Government shall deliver to the Contractor the Government-furnished property described in this contract. The Government shall furnish related data and information needed for the intended use of the property. The warranties of suitability of use and timely delivery of Government-furnished property do not apply to property acquired or fabricated by the Contractor as contractor-acquired property and subsequently transferred to another contract with this Contractor.

(2) The delivery and/or performance dates specified in this contract are based upon the expectation that the Government-furnished property will be suitable for contract performance and will be delivered to the Contractor by the dates stated in the contract.

(i) If the property is not delivered to the Contractor by the dates stated in the contract, the Contracting Officer shall, upon the Contractor's timely written request, consider an equitable adjustment to the contract.

(ii) In the event property is received by the Contractor, or for Government-furnished property after receipt and installation, in a condition not suitable for its intended use, the Contracting Officer shall, upon the Contractor's timely written request, advise the Contractor on a course of action to remedy the problem. Such action may include repairing, replacing, modifying, returning, or otherwise disposing of the property at the Government's expense. Upon completion of the required action(s), the Contracting Officer shall consider an equitable adjustment to the contract (see also paragraph (f)(1)(ii)(A) of this clause).

(iii) The Government may, at its option, furnish property in an "as-is" condition. The Contractor will be given the opportunity to inspect such property prior to the property being provided. In such cases, the Government makes no warranty with respect to the serviceability and/or suitability of the property for contract performance. Any repairs, replacement, and/or refurbishment shall be at the Contractor's expense.

(3)

(i) The Contracting Officer may by written notice, at any time-

(A) Increase or decrease the amount of Government-furnished property under this contract;

(B) Substitute other Government-furnished property for the property previously furnished, to be furnished, or to be acquired by the Contractor for the Government under this contract; or

(C) Withdraw authority to use property.

(ii) Upon completion of any action(s) under paragraph (d)(3)(i) of this clause, and the Contractor's timely written request, the Contracting Officer shall consider an equitable adjustment to the contract.

(e) Title to Government property.

(1) All Government-furnished property and all property acquired by the Contractor, title to which vests in the Government under this paragraph (collectively referred to as "Government property"), is subject to the provisions of this clause. The Government shall retain title to all Government-furnished property. Title to Government property shall not be affected by its incorporation into or attachment to any property not owned by the Government, nor shall Government property become a fixture or lose its identity as personal property by being attached to any real property.

(2) Title vests in the Government for all property acquired or fabricated by the Contractor in accordance with the financing provisions or other specific requirements for passage of title in the contract. Under fixed price type contracts, in the absence of financing provisions or other specific requirements for passage of title in the contract, the Contractor retains title to all property acquired by the Contractor for use on the contract, except for property identified as a deliverable end item. If a deliverable item is to be retained by the Contractor for use after inspection and acceptance by the Government, it shall be made accountable to the contract through a contract modification listing the item as Government-furnished property.

(3) Title under Cost-Reimbursement or Time-and-Material Contracts or Cost-Reimbursable contract line items under Fixed-Price contracts.

(i) Title to all property purchased by the Contractor for which the Contractor is entitled to be reimbursed as a direct item of cost under this contract shall pass to and vest in the Government upon the vendor's delivery of such property.

(ii) Title to all other property, the cost of which is reimbursable to the Contractor, shall pass to and vest in the Government upon-

(A) Issuance of the property for use in contract performance;

(B) Commencement of processing of the property for use in contract performance; or

(C) Reimbursement of the cost of the property by the Government, whichever occurs first.

(iii) All Government-furnished property and all property acquired by the Contractor, title to which vests in the Government under this paragraph (e)(3)(iii) (collectively referred to as "Government property"), are subject to the provisions of this clause.

(f) Contractor plans and systems.

(1) Contractors shall establish and implement property management plans, systems, and procedures at the contract, program, site or entity level to enable the following outcomes:

CONTRACT DOCUMENTS, EXHIBITS AND ATTACHMENTS

(i) Acquisition of Property. The Contractor shall document that all property was acquired consistent with its engineering, production planning, and property control operations.

(ii) Receipt of Government Property. The Contractor shall receive Government property and document the receipt, record the information necessary to meet the record requirements of paragraph (f)(1)(iii)(A)(1) through (5) of this clause, identify as Government owned in a manner appropriate to the type of property (e.g., stamp, tag, mark, or other identification), and manage any discrepancies incident to shipment.

(A) Government-furnished property. The Contractor shall furnish a written statement to the Property Administrator containing all relevant facts, such as cause or condition and a recommended course(s) of action, if overages, shortages, or damages and/or other discrepancies are discovered upon receipt of Government-furnished property.

(B) Contractor-acquired property. The Contractor shall take all actions necessary to adjust for overages, shortages, damage and/or other discrepancies discovered upon receipt, in shipment of Contractor-acquired property from a vendor or supplier, so as to ensure the proper allocability and allowability of associated costs.

(iii) Records of Government property. The Contractor shall create and maintain records of all Government property accountable to the contract, including Government-furnished and Contractor-acquired property.

(A) Property records shall enable a complete, current, auditable record of all transactions and shall, unless otherwise approved by the Property Administrator, contain the following:

(1) The name, part number and description, National Stock Number (if needed for additional item identification tracking and/or disposition) and other data elements as necessary and required in accordance with the terms and conditions of the contract.

(2) Quantity received (or fabricated), issued, and balance-on-hand.

(3) Unit acquisition cost.

(4) Unique-item identifier or equivalent (if available and necessary for individual item tracking).

(5) Unit of measure.

(6) Accountable contract number or equivalent code designation.

(7) Location.

(8) Disposition.

(9) Posting reference and date of transaction.

(10) Date placed in service (if required in accordance with the terms and conditions of the contract).

(B) Use of a Receipt and Issue System for Government Material. When approved by the Property Administrator, the Contractor may maintain, in lieu of formal property records, a file of appropriately cross-referenced documents evidencing receipt, issue, and use of material that is issued for immediate consumption.

(iv) Physical inventory. The Contractor shall periodically perform, record, and disclose physical inventory results. A final physical inventory shall be performed upon contract completion or termination. The Property Administrator may waive this final inventory requirement, depending on the circumstances (e.g., overall reliability of the Contractor's system or the property is to be transferred to a follow-on contract).

(v) Subcontractor control.

(A) The Contractor shall award subcontracts that clearly identify items to be provided and the extent of any restrictions or limitations on their use. The Contractor shall ensure appropriate flow down of contract terms and conditions (e.g., extent of liability for loss of Government property).

(B) The Contractor shall assure its subcontracts are properly administered and reviews are periodically performed to determine the adequacy of the subcontractor's property management system.

(vi) Reports. The Contractor shall have a process to create and provide reports of discrepancies, loss of Government property, physical inventory results, audits and self-assessments, corrective actions, and other property related reports as directed by the Contracting Officer.

(vii) Relief of stewardship responsibility and liability. The Contractor shall have a process to enable the prompt recognition, investigation, disclosure and reporting of loss of Government property, including losses that occur at subcontractor or alternate site locations.

(A) This process shall include the corrective actions necessary to prevent recurrence.

(B) Unless otherwise directed by the Property Administrator, the Contractor shall investigate and report to the Government all incidents of property loss as soon as the facts become known. Such reports shall, at a minimum, contain the following information:

- (1) Date of incident (if known).
- (2) The data elements required under paragraph (f)(1)(iii)(A) of this clause.
- (3) Quantity.
- (4) Accountable contract number.
- (5) A statement indicating current or future need.
- (6) Unit acquisition cost, or if applicable, estimated sales proceeds, estimated repair or replacement costs.
- (7) All known interests in commingled material of which includes Government material.

(8) Cause and corrective action taken or to be taken to prevent recurrence.

(9) A statement that the Government will receive compensation covering the loss of Government property, in the event the Contractor was or will be reimbursed or compensated.

(10) Copies of all supporting documentation.

(11) Last know location.

(12) A statement that the property did or did not contain sensitive, export controlled, hazardous, or toxic material, and that the appropriate agencies and authorities were notified.

(C) Unless the contract provides otherwise, the Contractor shall be relieved of stewardship responsibility and liability for property when-

(1) Such property is consumed or expended, reasonably and properly, or otherwise accounted for, in the performance of the contract, including reasonable inventory adjustments of material as determined by the Property Administrator;

(2) Property Administrator grants relief of responsibility and liability for loss of Government property;

(3) Property is delivered or shipped from the Contractor's plant, under Government instructions, except when shipment is to a subcontractor or other location of the Contractor; or

(4) Property is disposed of in accordance with paragraphs (j) and (k) of this clause.

(viii) Utilizing Government property.

(A) The Contractor shall utilize, consume, move, and store Government Property only as authorized under this contract. The Contractor shall promptly disclose and report Government property in its possession that is excess to contract performance.

(B) Unless otherwise authorized in this contract or by the Property Administrator the Contractor shall not commingle Government material with material not owned by the Government.

(ix) Maintenance. The Contractor shall properly maintain Government property. The Contractor's maintenance program shall enable the identification, disclosure, and performance of normal and routine preventative maintenance and repair. The Contractor shall disclose and report to the Property Administrator the need for replacement and/or capital rehabilitation.

(x) Property closeout. The Contractor shall promptly perform and report to the Property Administrator contract property closeout, to include reporting, investigating and securing closure of all loss of Government property cases; physically inventorying all property upon termination or completion of this contract; and disposing of items at the time they are determined to be excess to contractual needs.

(2) The Contractor shall establish and maintain Government accounting source data, as may be required by this contract, particularly in the areas of recognition of acquisitions, loss of Government property, and disposition of material and equipment.

(g) Systems analysis.

(1) The Government shall have access to the contractor's premises and all Government property, at reasonable times, for the purposes of reviewing, inspecting and evaluating the Contractor's property management plan(s), systems, procedures, records, and supporting documentation that pertains to Government property. This access includes all site locations and, with the Contractor's consent, all subcontractor premises.

(2) Records of Government property shall be readily available to authorized Government personnel and shall be appropriately safeguarded.

(3) Should it be determined by the Government that the Contractor's (or subcontractor's) property management practices are inadequate or not acceptable for the effective management and control of Government property under this contract, or present an undue risk to the Government, the Contractor shall prepare a corrective action plan when requested by the Property Administrator and take all necessary corrective actions as specified by the schedule within the corrective action plan.

(4) The Contractor shall ensure Government access to subcontractor premises, and all Government property located at subcontractor premises, for the purposes of reviewing, inspecting and evaluating the subcontractor's property management plan, systems, procedures, records, and supporting documentation that pertains to Government property.

(h) Contractor Liability for Government Property.

(1) Unless otherwise provided for in the contract, the Contractor shall not be liable for loss of Government property furnished or acquired under this contract, except when any one of the following applies-

(i) The risk is covered by insurance or the Contractor is otherwise reimbursed (to the extent of such insurance or reimbursement). The allowability of insurance costs shall be determined in accordance with 31.205-19.

(ii) Loss of Government property that is the result of willful misconduct or lack of good faith on the part of the Contractor's managerial personnel.

(iii) The Contracting Officer has, in writing, revoked the Government's assumption of risk for loss of Government property due to a determination under paragraph (g) of this clause that the Contractor's property management practices are inadequate, and/or present an undue risk to the Government, and the Contractor failed to take timely corrective action. If the Contractor can establish by clear and convincing evidence that the loss of Government property occurred while the Contractor had adequate property management practices or the loss did not result from the Contractor's failure to maintain adequate property management practices, the Contractor shall not be held liable.

(2) The Contractor shall take all reasonable actions necessary to protect the property from further loss. The Contractor shall separate the damaged and undamaged property, place all the affected property in the best possible order, and take such other action as the Property Administrator directs.

(3) The Contractor shall do nothing to prejudice the Government's rights to recover against third parties for any loss of Government property.

(4) The Contractor shall reimburse the Government for loss of Government property, to the extent that the Contractor is financially liable for such loss, as directed by the Contracting Officer.

(5) Upon the request of the Contracting Officer, the Contractor shall, at the Government's expense, furnish to the Government all reasonable assistance and cooperation, including the prosecution of suit and the execution of instruments of assignment in favor of the Government in obtaining recovery.

(i) Equitable adjustment. Equitable adjustments under this clause shall be made in accordance with the procedures of the Changes clause. However, the Government shall not be liable for breach of contract for the following:

- (1) Any delay in delivery of Government-furnished property.
- (2) Delivery of Government-furnished property in a condition not suitable for its intended use.
- (3) An increase, decrease, or substitution of Government-furnished property.
- (4) Failure to repair or replace Government property for which the Government is responsible.

(j) Contractor inventory disposal. Except as otherwise provided for in this contract, the Contractor shall not dispose of Contractor inventory until authorized to do so by the Plant Clearance Officer or authorizing official.

- (1) Predisposal requirements.

(i) If the Contractor determines that the property has the potential to fulfill requirements under other contracts, the Contractor, in consultation with the Property Administrator, shall request that the Contracting Officer transfer the property to the contract in question, or provide authorization for use, as appropriate. In lieu of transferring the property, the Contracting Officer may authorize the Contractor to credit the costs of Contractor-acquired property (material only) to the losing contract with the corresponding cost, when such material is needed for use on another contract. Property no longer needed shall be considered contractor inventory.

(ii) For any remaining Contractor-acquired property, the Contractor may purchase the property at the unit acquisition cost if desired or make reasonable efforts to return unused property to the appropriate supplier at fair market value (less, if applicable, a reasonable restocking fee that is consistent with the supplier's customary practices.)

- (2) Inventory disposal schedules.

(i) Absent separate contract terms and conditions for property disposition, and provided the property was not reutilized, transferred, or otherwise disposed of, the Contractor, as directed by the Plant Clearance Officer or authorizing official, shall use Standard Form 1428, Inventory Disposal Schedule or electronic equivalent, to identify and report-

(A) Government-furnished property that is no longer required for performance of this contract;

(B) Contractor-acquired property, to which the Government has obtained title under paragraph (e) of this clause, which is no longer required for performance of that contract; and

(C) Termination inventory.

(ii) The Contractor may annotate inventory disposal schedules to identify property the Contractor wishes to purchase from the Government, in the event that the property is offered for sale.

(iii) Separate inventory disposal schedules are required for aircraft in any condition, flight safety critical aircraft parts, and other items as directed by the Plant Clearance Officer

(iv) The Contractor shall provide the information required by FAR 52.245-1(f)(1)(iii) along with the following:

(A) Any additional information that may facilitate understanding of the property's intended use.

(B) For work-in-progress, the estimated percentage of completion.

(C) For precious metals in raw or bulk form, the type of metal and estimated weight.

(D) For hazardous material or property contaminated with hazardous material, the type of hazardous material.

(E) For metals in mill product form, the form, shape, treatment, hardness, temper, specification (commercial or Government) and dimensions (thickness, width and length).

(v) Property with the same description, condition code, and reporting location may be grouped in a single line item.

(vi) Scrap should be reported by "lot" along with metal content, estimated weight and estimated value.

(3) Submission requirements.

(i) The Contractor shall submit inventory disposal schedules to the Plant Clearance Officer no later than-

(A) 30 days following the Contractor's determination that a property item is no longer required for performance of this contract;

(B) 60 days, or such longer period as may be approved by the Plant Clearance Officer, following completion of contract deliveries or performance; or

(C) 120 days, or such longer period as may be approved by the Termination Contracting Officer, following contract termination in whole or in part.

(ii) Unless the Plant Clearance Officer determines otherwise, the Contractor need not identify or report production scrap on inventory disposal schedules, and may process and dispose of production scrap in accordance with its own internal scrap procedures.

The processing and disposal of other types of Government-owned scrap will be conducted in accordance with the terms and conditions of the contract or Plant Clearance Officer direction, as appropriate.

- (4) Corrections. The Plant Clearance Officer may-
 - (i) Reject a schedule for cause (e.g., contains errors, determined to be inaccurate); and
 - (ii) Require the Contractor to correct an inventory disposal schedule.

(5) Postsubmission adjustments. The Contractor shall notify the Plant Clearance Officer at least 10 working days in advance of its intent to remove an item from an approved inventory disposal schedule. Upon approval of the Plant Clearance Officer, or upon expiration of the notice period, the Contractor may make the necessary adjustments to the inventory schedule.

- (6) Storage.
 - (i) The Contractor shall store the property identified on an inventory disposal schedule pending receipt of disposal instructions. The Government's failure to furnish disposal instructions within 120 days following acceptance of an inventory disposal schedule may entitle the Contractor to an equitable adjustment for costs incurred to store such property on or after the 121st day.

- (ii) The Contractor shall obtain the Plant Clearance Officer's approval to remove Government property from the premises where the property is currently located prior to receipt of final disposition instructions. If approval is granted, any costs incurred by the Contractor to transport or store the property shall not increase the price or fee of any Government contract. The storage area shall be appropriate for assuring the property's physical safety and suitability for use. Approval does not relieve the Contractor of any liability for such property under this contract.

- (7) Disposition instructions.
 - (i) The Contractor shall prepare for shipment, deliver f.o.b. origin, or dispose of Contractor inventory as directed by the Plant Clearance Officer. Unless otherwise directed by the Contracting Officer or by the Plant Clearance Officer, the Contractor shall remove and destroy any markings identifying the property as U.S. Government-owned property prior to its disposal.

- (ii) The Contracting Officer may require the Contractor to demilitarize the property prior to shipment or disposal. In such cases, the Contractor may be entitled to an equitable adjustment under paragraph (i) of this clause.

(8) Disposal proceeds. As directed by the Contracting Officer, the Contractor shall credit the net proceeds from the disposal of Contractor inventory to the contract, or to the Treasury of the United States as miscellaneous receipts.

(9) Subcontractor inventory disposal schedules. The Contractor shall require its Subcontractors to submit inventory disposal schedules to the Contractor in accordance with the requirements of paragraph (j)(3) of this clause.

- (k) Abandonment of Government property.

(1) The Government shall not abandon sensitive property or termination inventory without the Contractor's written consent.

(2) The Government, upon notice to the Contractor, may abandon any nonsensitive property in place, at which time all obligations of the Government regarding such property shall cease.

(3) Absent contract terms and conditions to the contrary, the Government may abandon parts removed and replaced from property as a result of normal maintenance actions, or removed from property as a result of the repair, maintenance, overhaul, or modification process.

(4) The Government has no obligation to restore or rehabilitate the Contractor's premises under any circumstances; however, if Government-furnished property is withdrawn or is unsuitable for the intended use, or if other Government property is substituted, then the equitable adjustment under paragraph (i) of this clause may properly include restoration or rehabilitation costs.

(l) Communication. All communications under this clause shall be in writing.

(m) Contracts outside the United States. If this contract is to be performed outside of the United States and its outlying areas, the words "Government" and "Government-furnished" (wherever they appear in this clause) shall be construed as "United States Government" and "United States Government-furnished," respectively.

(End of clause)

23. FAR 52.252-2 CLAUSES INCORPORATED BY REFERENCE (Feb 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es): <http://farsite.hill.af.mil/> or <http://www.arnet.gov/far/>

(End of clause)

24. FAR 52.253-1 COMPUTER GENERATED FORMS (Jan 1991)

(a) Any data required to be submitted on a Standard or Optional Form prescribed by the Federal Acquisition Regulation (FAR) may be submitted on a computer generated version of the form, provided there is no change to the name, content, or sequence of the data elements on the form, and provided the form carries the Standard or Optional Form number and edition date.

(b) Unless prohibited by agency regulations, any data required to be submitted on an agency unique form prescribed by an agency supplement to the FAR may be submitted on a computer generated version of the form provided there is no change to the name, content, or sequence of the data elements on the form and provided the form carries the agency form number and edition date.

(c) If the Contractor submits a computer generated version of a form that is different than the required form, then the rights and obligations of the parties will be determined based on the content of the required form.

(End of clause)

25. DEAR 952.242-70 TECHNICAL DIRECTION (Dec 2000)

(a) Performance of the work under this contract shall be subject to the technical direction of the DOE Contracting Officer's Representative (COR). The term "technical direction" is defined to include, without limitation:

(1) Providing direction to the Contractor that redirects contract effort, shift work emphasis between work areas or tasks, require pursuit of certain lines of inquiry, fill in details, or otherwise serve to accomplish the contractual Statement of Work.

(2) Providing written information to the Contractor that assists in interpreting drawings, specifications, or technical portions of the work description.

(3) Reviewing and, where required by the contract, approving, technical reports, drawings, specifications, and technical information to be delivered by the Contractor to the Government.

(b) The Contractor will receive a copy of the written COR designation from the Contracting Officer. It will specify the extent of the COR's authority to act on behalf of the Contracting Officer.

(c) Technical direction must be within the scope of work stated in the contract. The COR does not have the authority to, and may not, issue any technical direction that --

(1) Constitutes an assignment of additional work outside the Statement of Work;

(2) Constitutes a change as defined in the contract clause entitled "Changes;"

(3) In any manner causes an increase or decrease in the total estimated contract cost, the fee (if any), or the time required for contract performance;

(4) Changes any of the expressed terms, conditions or specifications of the contract; or

(5) Interferes with the Contractor's right to perform the terms and conditions of the contract.

(d) All technical direction shall be issued in writing by the COR.

(e) The Contractor must proceed promptly with the performance of technical direction duly issued by the COR in the manner prescribed by this clause and within its authority under the provisions of this clause. If, in the opinion of the Contractor, any instruction or direction by the COR falls within one of the categories defined in (c)(1) through (c)(5) of this clause, the Contractor must not proceed and must notify the Contracting Officer in writing within five (5) working days after receipt of any such instruction or direction and must request the Contracting Officer to modify the contract accordingly. Upon receiving the notification from the Contractor, the Contracting Officer must:

(1) Advise the Contractor in writing within thirty (30) days after receipt of the Contractor's letter that the technical direction is within the scope of the contract effort and does not constitute a change under the Changes clause of the contract;

(2) Advise the Contractor in writing within a reasonable time that the Government will issue a written change order; or

(3) Advise the Contractor in writing within a reasonable time not to proceed with the instruction or direction of the COR.

(f) A failure of the Contractor and Contracting Officer either to agree that the technical direction is within the scope of the contract or to agree upon the contract action to be taken with respect to the technical direction will be subject to the provisions of the clause entitled "Disputes."

(End of clause)

26. DOE-G-1007 CONTRACTING OFFICER'S REPRESENTATIVE (Nov 2009)

The Contracting Officer's Representative (COR) for the purposes of monitoring and coordinating the technical requirements of this contract is Mark Zulim (see page three (3) of this contract). Specific duties and responsibilities of the COR are those delegated in the Contracting Officer's Representative Delegation for this contract.

(End of clause)

27. DOE-H-1025 CONTRACTOR INTERFACE WITH OTHER CONTRACTORS AND/OR GOVERNMENT EMPLOYEES (Nov 2009)

The Government may award contracts for on-site work or services to additional contractors. The Contractor shall cooperate fully with all other on-site DOE Contractors, and with Government employees, and carefully fit its own work to such other work as may be directed by the Contracting Officer or a duly authorized representative. The Contractor shall not commit or permit any act which will interfere with the performance of work by any other Contractor or by a Government employee.

(End of clause)

28. NNS-B-1002 CONTRACT TYPE: FIRM-FIXED-PRICE (Nov 2009)

Total Price \$29,865,584.00

Applicable to following Line Items: 0001

29. NNS-G-1001 BILLING INSTRUCTIONS (Nov 2009) ALTERNATE I (NOV 2009)

(a) Contractors will use Standard Form 1034 (Public Voucher for Purchases and Services Other Than Personal) when requesting payment for supplies or services rendered.

(b) Contractors must submit vouchers electronically through the Oak Ridge Financial Service Center's (ORFSC) Vendor Inquiry Payment Electronic Reporting System (VIPERS). VIPERS allows vendors to submit vouchers, attach supporting documentation and check the payment status of any voucher submitted to the DOE. To obtain access to and use VIPERS, please visit the web page at <https://vipers.oro.doe.gov>. Detailed instructions on how to enroll and use the system are provided on the web page. The submission of vouchers electronically will reduce correspondence and other causes for delay to a minimum and will facilitate prompt payment to the Contractor. Do not submit a paper copy of the voucher.

(c) Each invoice shall include the following:

(1) contract number;

(2) contractor name;

- (3) date of invoice;
- (4) invoice number (invoices shall be sequentially numbered);
- (5) total amount of invoice;
- (6) period covered or items delivered; and
- (7) cumulative amount invoiced to date.

(d) Delivery Payments. Payments made under this contract shall be considered Delivery Payments as defined in FAR 32.001, entitled "Definitions."

(e) Approval of Invoices

The contractor will be paid after approval by the NNSA Approving Official.

(End of clause)

30. NNS-H-1001 INCORPORATION OF REPRESENTATIONS, CERTIFICATIONS, AND OTHER STATEMENTS OF OFFEROR (Nov 2009)

The Representations, Certifications, and Other Statements of Offeror were verified on the OnLine Representations and Certifications Application (ORCA) website on 08 January 2015 at 1500 hours. Mountain Time, and are hereby incorporated by reference.

(End of clause)

31. NNS-H-1003 ACCESS TO DOE-OWNED OR LEASED FACILITIES (Aug 2011)

(a) The performance of this contract requires that employees of the Contractor have physical access to DOE-owned or leased facilities; however, this clause does not control requirements for an employee's obtaining a security clearance. The Contractor understands and agrees that DOE has a prescribed process with which the Contractor and its employees must comply in order to receive a security badge that allows such physical access. The Contractor further understands that it must propose employees whose background offers the best prospect of obtaining a security badge approval for access. The contractor should consider the following types of potential problems, which are not all inclusive and may vary depending on access requirements, when making hiring decisions:

- (1) is the candidate suspected of being a terrorist;
- (2) is the candidate subject to an outstanding warrant;
- (3) has the candidate deliberately omitted, concealed, or falsified relevant and material facts from any Questionnaire for National Security Positions (SF-86), Questionnaire for Non-Sensitive Positions (SF-85), or similar form;
- (4) has the candidate presented false or forged identity source documents;
- (5) has the candidate been barred from Federal employment;
- (6) is the candidate currently awaiting a hearing or trial or been convicted of a crime punishable by imprisonment of six (6) months or longer; or
- (7) is the candidate awaiting or serving a form of pre-prosecution probation, suspended or deferred sentencing, probation or parole in conjunction with an arrest or criminal

charges against the individual for a crime that is punishable by imprisonment of six (6) months or longer.

(b) The Contractor shall assure:

(1) In initiating the process for gaining physical access, (i) compliance with procedures established by DOE in providing its employee(s) with any forms directed by DOE, (ii) that the employee properly completes any forms, and (iii) that the employee(s) submits the forms to the person designated by the Contracting Officer.

(2) In completing the process for gaining physical access, that its employee (i) cooperates with DOE officials responsible for granting access to DOE-owned or leased facilities and (ii) provides additional information, requested by those DOE officials.

(c) The Contractor understands and agrees that DOE may unilaterally deny a security badge to an employee and that the denial remains effective for that employee unless DOE subsequently determines that access may be granted. Upon notice from DOE that an employee's application for a security badge is or will be denied, the Contractor shall promptly identify and submit the forms referred to in subparagraph (b)(1) of this clause for the substitute employee. The denial of a security badge to individual employees by DOE shall not be cause for extension of the period of performance of this Contract or any Contractor claim against DOE.

(d) The Contractor shall return to the Contracting Officer or designee the badge(s) or other credential(s) provided by DOE pursuant to this clause, granting physical access to DOE-owned or leased facilities by the Contractor's employee(s), upon (1) the termination of this Contract; (2) the expiration of this Contract; (3) the termination of employment on this Contract by an individual employee; or (4) demand by DOE for return of the badge.

(e) The Contractor shall include this clause, including this paragraph (e), in any subcontract, awarded in the performance of this Contract, in which an employee(s) of the subcontractor will require physical access to DOE-owned or leased facilities.

(End of clause)

32. NNS-H-1010 REPORTING OF FRAUD, WASTE, ABUSE, CORRUPTION, OR MISMANAGEMENT (Jan 2011)

The Contractor is required to comply with the following in accordance with DOE O 221.1A, Reporting Fraud, Waste, and Abuse to the Office of Inspector General and DOE O 221.2A, Cooperation with the Inspector General:

(a) Notify employees annually of their duty to report allegations of fraud, waste, abuse, misuse, corruption, criminal acts, or mismanagement relating to DOE programs, operations, facilities, contracts, or information technology systems to an appropriate authority (e.g. OIG, other law enforcement, supervisor, employee concerns office, security officials.) Examples of violations to be reported include, but are not limited to, allegations of false statements; false claims; bribery; kickbacks, fraud; DOE environment, safety, and health violations; theft; computer crimes; contractor mischarging; conflicts of interest, and conspiracy to commit any of these acts. Contractors must also ensure that their employees are aware that they may always report incidents or information directly to the Office of Inspector General (OIG).

(b) Display the OIG hotline telephone number in buildings and common areas such as cafeterias, public telephone areas, official bulletin boards, reception rooms, and building lobbies.

(c) Publish the OIG hotline telephone number in telephone books and newsletters under the contractors' cognizance.

(d) Ensure that their employees report to the OIG within a reasonable period of time, but not later than 24 hours after discovery, all alleged violations of law, regulations, or policy, including incidents of fraud, waste, abuse, misuse, corruption, criminal acts, or mismanagement, that have been referred to Federal, State, or local law enforcement entities.

(e) Ensure that their employees report to the OIG any allegations of reprisals taken against employees who have reported to the OIG fraud, waste, abuse, misuse, corruption, criminal acts, or mismanagement.

(f) Ensure that its managers do not retaliate against DOE contractor employees who report fraud, waste, abuse, misuse, corruption, criminal acts, or mismanagement

(g) Contractors must ensure that all their employees understand that they must:

(1) comply with requests for interviews and briefings and must provide affidavits or sworn statements, if so requested by an employee of the OIG so designated to take affidavits or sworn statements.

(2) not impede or hinder another employee's cooperation with the OIG.

(3) ensure that reprisals are not taken against DOE contractor employees who cooperate with or disclose information to the OIG or other lawful appropriate authority.

(h) The DOE IG hotline telephone number is 202-586-4073.

(End of clause)

33. NNS-H-1011 ENVIRONMENT, HEALTH, AND SAFETY PLAN FOR ON-SITE WORK (Nov 2009)

(a) In performance of the work at any DOE/NNSA site, the Contractor shall comply with all applicable federal and state environmental, health, and safety regulations and shall take all necessary and reasonable precautions to protect the environment, health, and safety of its employees, DOE/NNSA personnel, and members of the public. The Contractor shall participate in all emergency response drills and exercises while on a DOE/NNSA site.

(b) The Contractor shall take all necessary and reasonable steps to minimize the impact of its work on DOE/NNSA functions and employees, and immediately report all job-related injuries and/or illnesses which occur in any DOE/NNSA facility to the Contracting Officer Representative (COR) named in Part I, Section G of the contract.

(End of clause)

34. NNS-H-1015 FOREIGN NATIONAL ACCESS TO NNSA FACILITIES (Jan 2011)

(a) DOE Order 142.3A entitled Unclassified Foreign Visits and Assignments Program is incorporated into this contract by reference.

(b) The DOE Order is available on the internet at: <http://www.directives.doe.gov/> or by request to the Contracting Officer.

(End of clause)

**35. NNS-H-1016 PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS --
SENSE OF CONGRESS (Nov 2009)**

It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available under this award should be American-made.

(End of clause)

36. NNS-H-1017 VIOLENCE IN THE WORKPLACE (Nov 2009)

(a) Acts of aggression, violence (physical or verbal, intentional or reckless) and/or threats of such will not be tolerated in any situation at any NNSA facility. Contractors who engage in aggressive/violent behavior or threaten violence, among themselves or with Government employees, may be removed from the premises.

(b) Contractor supervisors or management representatives shall report any incident or threat of aggression, harassment, hostility, intimidation, or violence to the Contracting Officer or the COR. In all situations where violence has occurred or appears to be imminent, Contractor employees shall first call 911.

(End of clause)

CONTRACT DOCUMENTS, EXHIBITS AND ATTACHMENTS

DOCUMENT	PGS	DATE	TITLE
ATTACHMENT 1	5	01 JAN 2015	STATEMENT OF WORK
ATTACHMENT 2	37	01 JUL 2014	RATE SCHEDULE FOR WATER SERVICE AFTER 1 JULY 2014
ATTACHMENT 3	62	13 FEB 2001	RULES AND REGULATIONS GOVERNING WATER SERVICE TO CUSTOMERS
ATTACHMENT 4	2	14 FEB 2012	SAN FRANCISCO PUBLIC UTILITIES COMMISSION RATES POLICY
ATTACHMENT 5	8	01 MAY 2014	CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS
ATTACHMENT 6	1	08 MAR 1960	MOCHO SHAFT POINT OF DELIVERY SFPUC E-15737
ATTACHMENT 7	2	03 JAN 1994	LLNL S300 THOMAS SHAFT CONNECTION E-15731
ATTACHMENT 8	5	12 NOV 2014	PROPERTY TRANSFER AND GOVT RETENTION
ATTACHMENT 9	2	01 JUL 2014	HETCH HETCHY MOCHO TO LLNL S200 2005 DWG

STATEMENT OF WORK (SOW)

Livermore Field Office

Primary Potable Water Service San Francisco Public Utilities Commission

DE-NA0002471

January 1, 2015

1.0 Introduction and Background

The San Francisco Public Utilities Commission (SFPUC) is an enterprise department of the City and County of San Francisco. It is the governing body for potable water, and related services pursuant to the authority and provisions set forth by the San Francisco Charter (Section 8B.125) and the Water Supply Agreement with their wholesale customers. The Commission issues a rate schedule for Water, Power, and Sewer Services; the rules and regulations governing water service to customers; and the SFPUC rates policy. The San Francisco Commission governing body reviews the rates and fees and makes adjustments as necessary.

The SFPUC maintains and operates a complex water supply system stretching from Hetch Hetchy Reservoir in the Sierra Nevada Mountains to San Francisco and featuring a complex series of reservoirs, tunnels, pipelines, and treatment systems. The drinking water supplied is among the purest in the world. The system for delivering the water is almost entirely gravity fed requiring little, if any, fossil fuel consumption to move water from the mountains to customers.

SFPUC is also the third largest municipal utility in California serving approximately 2.6 million residential, commercial, and industrial customers in the San Francisco Bay Area. Two thirds of the wholesale water deliveries go to 26 suburban agencies in Alameda, Santa Clara, and San Mateo counties. The cost of providing utility service is covered by rate payer customers through service based rates, fees and charges, and non-operating revenues (i.e. land leases).

The Hetch-Hetchy watershed, an area located in Yosemite National Park, provides approximately 85% of San Francisco's total water needs. Spring snow-melt from the Tuolumne River fills the Hetch Hetchy reservoir, which is the largest reservoir in the SFPUC Regional Water System. The water is treated, but not filtered because of its high quality.

However, during drought periods, the SFPUC may be required to use water from the Cherry and Eleanor Reservoirs in place of the supply from the Hetch Hetchy Reservoir. The use of water from the Cherry and Eleanor Reservoirs requires filtration for potable use.

2.0 Requirement and Scope

There is a current need for a reliable potable water supply to the DOE/NNSA Livermore Field Office located at 7000 East Avenue (Site 200 – Exhibit A and Site 300 – Exhibit B), Livermore, CA 94550-0808. Estimated usage requirements are listed in paragraph 4.0 of this SOW.

3.0 Deliverables

1. The SFPUC shall provide potable water services required by the Livermore Field Office, Livermore CA.
2. The SFPUC shall maintain and operate water collection, treatment, and facilities shown as the SFPUC’s responsibility in Attachment (8) for Site 300 (Thomas Shaft of Coast Range Tunnel) and in Attachment (6) for Site 200 (Mocho Shaft of Coast Range Tunnel).
3. The SFPUC Water Enterprise will invoice according to the current schedule of rates, and/or adjusted rates as periodically updated by the SFPUC. The invoice shall be submitted at regular monthly intervals with supporting documentation/information to validate the incurred charges. Invoicing shall include meter serial numbers, meter begin and end readings, and reflect the current rates as of the period of service indicated. Invoices should be submitted as indicated on page 30 of 35 of the contract under NNS-G-1001 entitled “Billing Instructions (Nov 2009) Alternate 1 (Nov 2009).

4.0 Estimated Water Usage in CCF Units for Contract Performance Period 1 January 2015 through 31 December 2024

ANNUAL CCF ESTIMATED USAGE AND COST FOR LIVERMORE FIELD OFFICE-LFO

YEAR	TOTAL AVERAGE USAGE CCF	METER NUMBER 31977472	METER NUMBER 31977468	THOMAS SHAFT METER NUMBER 0186941	ANNUAL AVERAGE TOTAL CCF USAGE
2015	147,049	220,317	203,451	17,378	441,146
2016	147,049	220,317	203,451	17,378	441,146
2017	147,049	220,317	203,451	17,378	441,146
2018	147,049	220,317	203,451	17,378	441,146
2019	147,049	220,317	203,451	17,378	441,146
2020	147,049	220,317	203,451	17,378	441,146
2021	147,049	220,317	203,451	17,378	441,146
2022	147,049	220,317	203,451	17,378	441,146
2023	147,049	220,317	203,451	17,378	441,146
2024	147,049	220,317	203,451	17,378	441,146
TOTAL	1,470,490	2,203,170	2,034,510	173,780	4,411,460
VERIFIED TOTAL CCF					4,411,460
TOTAL CONTRACT AVERAGE COST @ \$6.77 PER CCF					\$29,865,584.00

NOTES: 1. Totals include estimated usage with anticipated growth in future years.

2. It is estimated that 17,317 CCF for the Thomas Shaft will be required in future years beginning in 2015.
3. Annual water usage may vary depending on growth and conservation measures planned in future years.
4. Cost factors may vary and therefore total cost would vary.
5. Total estimated cost is at the average adopted rates by SFPUC.

5.0 Technical Requirements

1. Water Services. The SFPUC shall provide all water services and furnish all labor, materials, tools, equipment, facilities, transportation, and incidentals necessary to provide potable water supply to the point(s) of delivery shown in Attachment (6) for Site 200 and in Attachment (8) for Site 300. DOE/NNSA shall provide all pumping energy for Site 200. The SFPUC shall provide all pumping energy for Site 300. Water service means traditional utility service, unless otherwise specified in the contract which includes supply, transmission, coordination, operation, maintenance, terminal storage, disinfection, and treatment.
2. Annual Rate. The current annual rate period begins July 1, 2014 for a five year period to be adjusted annually on July 1 of each year. Attachment (2) to the contract entitled "Schedule W-31: Commercial, Industrial, and General Uses within the City and County of San Francisco" contains the applicable rate schedule.
3. Meter Size. The meter size for the NNSA LFO is defined at 6 inches (three each) with a monthly cost per the current rate schedule. See Attachment (2) to the contract entitled "Rates Schedule for Water, Power, and Sewer Service". The meter numbers invoiced are: 31977468, 31977472, and 0186941.
4. Meter Reading, Billing, and Collection. All invoices are due upon receipt. See Section D of Attachment (3) to the contract entitled "Rules and Regulations Governing Water Service to Customers", Rules 1 through 6 (pages 19-21).
5. Meter Testing. See Section D of Attachment (3) of the contract entitled "Rules and Regulations Governing Water Service to Customers", Rules 7 and 8 (page 21).
6. Charge per 100 Cubic Feet. There is a charge for all water delivered based on monthly meter readings. See Attachment (2) to the contract entitled "Rates Schedule for Water, Power, and Sewer Service", page 4.
7. Scheduled Maintenance. Water supplied by SFPUC through the Coast Range Tunnel will, from time to time, require water supply interruption for scheduled maintenance. Periods of water supply interruption will normally not exceed 60 days. The SFPUC will provide at least six months advanced notification for all regularly scheduled maintenance periods. During any periods of water supply interruption, the secondary source of water supply with the Alameda County Flood Control and Water Conservation District will be required to be utilized by the LSO and/or LLNL until SFPUC has completed the required maintenance or repair.

8. Un-scheduled Maintenance or Repair. There may be times when there are unscheduled interruptions of water supply due to the age of the SFPUC's facilities and usually occur with little or no advanced notification. In these cases, the period of interruption may be extended as required for maintenance or repair. During any periods of water supply interruption, the secondary source of water supply with the Alameda County Flood Control and Water Conservation District will be required to be utilized by the LSO and/or LLNL until SFPUC has completed the required maintenance or repair.

9. Water Transfer during Planned and Unplanned Interruptions. The SFPUC will use reasonable efforts to transfer water to Zone 7 for service to Site 200 during planned or unplanned service interruptions involving the Coast Range Tunnel.

10. Electrical Facilities at Mocho Shaft. The configuration of the Government's electrical facilities at Mocho Shaft do not meet the California and National Electrical Codes and applicable electric safety orders of the California Occupational Safety and Health Administration. The configuration currently presents an ignition hazard due to the presence of methane gas in the Coast Range Tunnel. The Government agrees to make appropriate corrections and come into compliance no later than June 30, 2015.

11. Annual Cost. The estimated annual cost is \$2,986,558.40

12. Total Estimated Contract Cost. The estimated ten (10) year cost for the performance period of this contract is \$29,865,584.00, which includes an average of the overall estimated annual cost increase per available historical data and discussions with the San Francisco Public Utilities Commission.

13. Period of Performance. The ten year period of performance begins January 1, 2015 and ends December 31, 2024.

6.0 Permit for Access, Operation, and Maintenance

A permit is granted by SFPUC to the Government, free of any rental or similar charge, for the purpose of (1) occupying and utilizing the roadway to Thomas Shaft for access, operation, and maintenance of a ten (10) inch pipe running below grade about 1.54 miles from the point of delivery at the Thomas Shaft Chlorination Facility to Site 300; (2) access to electrical panels G1 and G4 at the Thomas Shaft utility enclosure shown in Attachment (7), and on pages 4 and 5 of Attachment (8); occupying and utilizing the roadway to Mocho Shaft for access, operation and maintenance of a sixteen (16) inch pipe that runs below grade approximately 6.1 miles from the point of delivery at Mocho Shaft to Mines Road and the Government owned facilities as shown in Attachment (6) (collectively known as "the Permit Areas").

The Permit Areas are granted by SFPUC subject to the following conditions:

- (1) The grant of permission does not constitute a deed or grant of an easement, and is not transferable or assignable.
- (2) The permit may be revoked by the SFPUC in the event of :

- (a) the termination of the contract and for a reasonable time thereafter sufficient for the removal by the Government of its facilities; or
- (b) a material breach of this agreement by the Government as determined by a court of law or administrative agency.
- (3) The use of the Permit Areas by the Government are limited solely to the purpose of the permit as defined in the first paragraph of this Section 6.0, and no additional structures or facilities are allowed unless expressly permitted by the SFPUC following the SFPUC's review and approval of plans and necessary environmental documentation prepared by the Government.
- (4) Use of the Permit Areas shall be subject to the SFPUC's primary rights to use the Permit Areas as fee owner, and in the event of a conflict between use of the Permit Areas by the SFPUC for utility purposes and the Government, the Government shall be required to relocate its facilities in the Permit Areas at its sole expense.
- (5) The Government shall maintain the Permit Areas in good and presentable condition.
- (6) In the event that maintenance or removal of either of the Government's pipelines within the Permit Areas is required, the Government, at its expense, including associated cost incurred by the Contractor, shall restore the Permit Areas to its original condition, in accordance with applicable laws, and to the reasonable satisfaction of the SFPUC.

EXHIBIT A
DE-NA0002471

Lawrence Livermore National Laboratory-Site 200
Exhibit E to Contract DE-AC03-76SF16828
Sandia National Laboratory

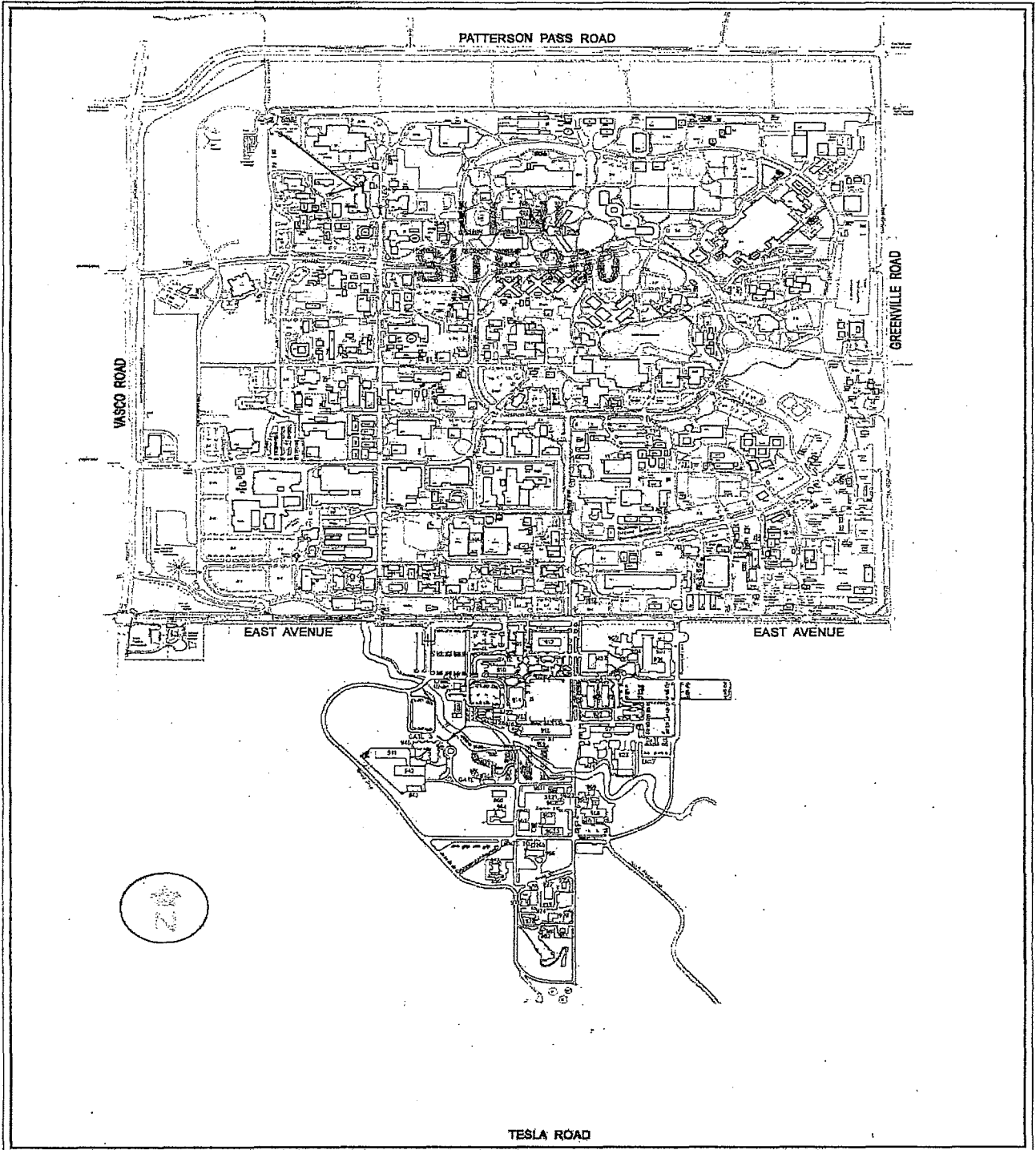
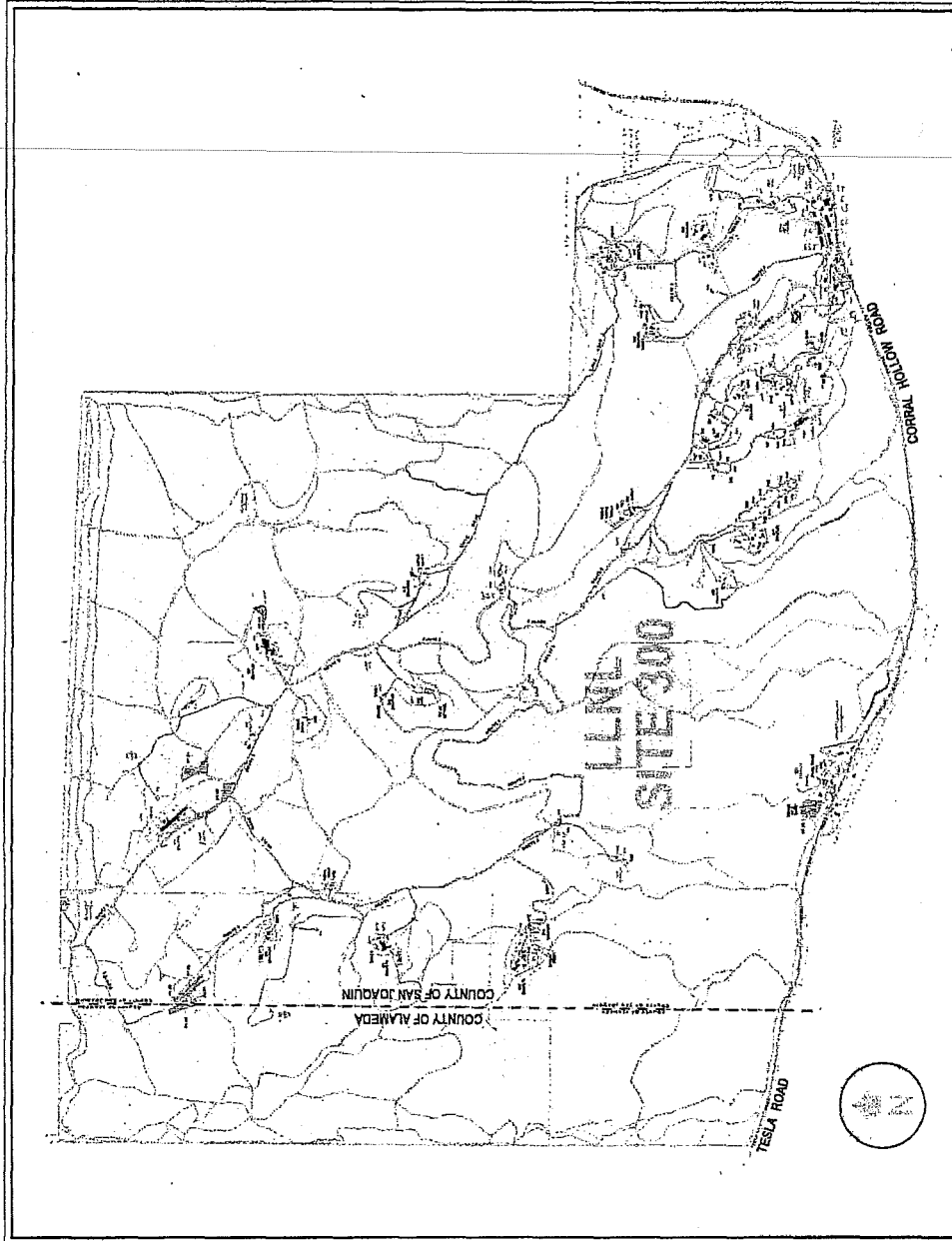


EXHIBIT B
DE-NA0002471

Exhibit E to Contract DE-AC03-76SF-16828 Lawrence Livermore National Laboratory-Site 300



Rates Schedules for Water Power and Sewer Service

Effective with meter readings made on or after July 1, 2014



San Francisco
Water Power Sewer
Services of the San Francisco Public Utilities Commission

Every day, the San Francisco Public Utilities Commission (SFPUC) delivers high quality water, generates clean energy, and protects public health and the environment by collecting and treating wastewater for the residents and businesses of San Francisco. Our system works 24 hours a day, 7 days a week, and its operation and maintenance are funded by your water and wastewater rates.

In May 2014, the Commission approved four years of water and wastewater service rate increases and two years of retail municipal power service rate increases, beginning July 1, 2014. These rate increases will allow the SFPUC to continue work to rebuild and improve our water and wastewater and power systems.

The approved rates will result in an average increase of \$7-10 per month for the average single-family residential household in San Francisco (about 8-9% per year). This represents an increase from about \$1.00 per person per day for water and wastewater service, to about \$1.30 per person per day in 2018. In 2018, this will be less than three pennies per gallon for water delivery and wastewater treatment.

For customers whose meters are read on a bi-monthly basis, the monthly service charges will be twice the amount stated in the rate schedules.

Water and Wastewater rates established by resolutions:
14-0070, 14-0071, 14-0072, 14-0073 and 14-0074 Approved May 13, 2014
by the Public Utilities Commission.

Power rates established by resolutions 10-0018 Approved February 9, 2010,
11-0021 Approved February 8, 2011 and 14-0089 Approved May 27, 2014 by the
Public Utilities Commission.

Some highlights detailed in the pages of this booklet include:

Single-Family Residential water and wastewater rates have 2 tiers. Tier 1 has been set for the first 4 Ccf, up from 3 Ccf previously, for single-family residential customers to represent average water consumption for this customer class. Single-Family Residential wastewater tiers will be phased into a uniform rate over the next 4 years.

Multi-Family Residential water rates have 2 tiers and will be given a multiplier based on the number of dwelling units at the service address. Tier 1 has been set for the first 3 Ccf for Multi-Family Residential customers to represent average water consumption for this customer class. Multi-Family Residential wastewater tiers will be phased into a uniform rate over the next 4 years.

Non-Residential (Commercial) water rates have a uniform rate. Non-Residential wastewater rates have a uniform rate for volume plus per pound strength charges. Fire Service customers will be charged a fixed monthly service charge based on the size of their service.

Rate Calculator link:

For further information and to calculate your rates, visit sfwater.org/rates. Reference your most recent bill to obtain your meter size and water use (Ccf per month).

Sign up for **My Account** to see your water usage at myaccount.sfwater.org.

Visit our website, www.sfwater.org to learn more about water, wastewater and power rates and to learn ways you can save water and save money through our water conservation programs.

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WATER RATES SCHEDULES

SCHEDULE W-1A: Single Family Residential Service within the City and County of San Francisco

Applicable to single-family dwelling units served through a separate meter or bank of meters:

First: A Monthly Service Charge based on the size of the meter.

Meter Size	FYE 2015 Effective 7/1/14	FYE 2016 Effective 7/1/15	FYE 2017 Effective 7/1/16	FYE 2018 Effective 7/1/17
5/8 in	\$8.81	\$9.87	\$10.86	\$11.63
3/4 in	\$11.09	\$12.43	\$13.68	\$14.64
1 in	\$15.66	\$17.54	\$19.30	\$20.66
1-1/2 in	\$27.08	\$30.33	\$33.37	\$35.71
2 in	\$40.79	\$45.69	\$50.26	\$53.78
3 in	\$72.77	\$81.51	\$89.67	\$95.95
4 in	\$118.46	\$132.68	\$145.95	\$156.17
6 in	\$232.69	\$260.62	\$286.69	\$306.76
8 in	\$369.76	\$414.14	\$455.56	\$487.45
10 in	\$529.67	\$593.24	\$652.57	\$698.25
12 in	\$986.57	\$1,104.96	\$1,215.46	\$1,300.55
16 in	\$1,717.61	\$1,923.73	\$2,116.11	\$2,264.24

Second: A charge for all water delivered based on monthly meter reading.

Single-Family Residential	Charge per Ccf			
	FYE 2015 Effective 7/1/14	FYE 2016 Effective 7/1/15	FYE 2017 Effective 7/1/16	FYE 2018 Effective 7/1/17
First 4 Units ¹ /DU ² /Month	\$4.86	\$5.45	\$6.00	\$6.42
All Additional Ccf/DU/Month	\$6.52	\$7.31	\$8.05	\$8.62

¹1 Unit = 1 Ccf of water = 748 gallons
²DU = Dwelling Unit; All Single-Family Residential customers have one dwelling unit per account

SCHEDULE W-1B: Multiple-Family Residential Service within the City and County of San Francisco

Applicable to multiple-family accounts consisting of two or more dwelling units served through a separate meter or bank of meters:

First: A Monthly Service Charge based on the size of the meter.

Meter Size	FYE 2015 Effective 7/1/14	FYE 2016 Effective 7/1/15	FYE 2017 Effective 7/1/16	FYE 2018 Effective 7/1/17
5/8 in	\$8.81	\$9.87	\$10.86	\$11.63
3/4 in	\$11.09	\$12.43	\$13.68	\$14.64
1 in	\$15.66	\$17.54	\$19.30	\$20.66
1-1/2 in	\$27.08	\$30.33	\$33.37	\$35.71
2 in	\$40.79	\$45.69	\$50.26	\$53.78
3 in	\$72.77	\$81.51	\$89.67	\$95.95
4 in	\$118.46	\$132.68	\$145.95	\$156.17
6 in	\$232.69	\$260.62	\$286.69	\$306.76
8 in	\$369.76	\$414.14	\$455.56	\$487.45
10 in	\$529.67	\$593.24	\$652.57	\$698.25
12 in	\$986.57	\$1,104.96	\$1,215.46	\$1,300.55
16 in	\$1,717.61	\$1,923.73	\$2,116.11	\$2,264.24

Second: A charge for all water delivered based on monthly meter reading.

Multiple-Family Residential	Charge per Ccf			
	FYE 2015 Effective 7/1/14	FYE 2016 Effective 7/1/15	FYE 2017 Effective 7/1/16	FYE 2018 Effective 7/1/17
First 3 Units ² /DU ² /Month	\$4.98	\$5.58	\$6.14	\$6.57
All Additional Ccf/DU/Month	\$6.67	\$7.48	\$8.23	\$8.81
¹ 1 Unit = 1 Ccf of water = 748 gallons ² DU = Dwelling Unit				

SCHEDULE W-1C: Commercial, Industrial and General Uses within the City and County of San Francisco

Applicable to commercial, industrial and other general uses served through a separate meter or bank of meters:

First: A Monthly Service Charge based on the size of the meter.

Meter Size	FYE 2015 Effective 7/1/14	FYE 2016 Effective 7/1/15	FYE 2017 Effective 7/1/16	FYE 2018 Effective 7/1/17
5/8 in	\$8.81	\$9.87	\$10.86	\$11.63
3/4 in	\$11.09	\$12.43	\$13.68	\$14.64
1 in	\$15.66	\$17.54	\$19.30	\$20.66
1-1/2 in	\$27.08	\$30.33	\$33.37	\$35.71
2 in	\$40.79	\$45.69	\$50.26	\$53.78
3 in	\$72.77	\$81.51	\$89.67	\$95.95
4 in	\$118.46	\$132.68	\$145.95	\$156.17
6 in	\$232.69	\$260.62	\$286.69	\$306.76
8 in	\$369.76	\$414.14	\$455.56	\$487.45
10 in	\$529.67	\$593.24	\$652.57	\$698.25
12 in	\$986.57	\$1,104.96	\$1,215.46	\$1,300.55
16 in	\$1,717.61	\$1,923.73	\$2,116.11	\$2,264.24

Second: A charge for all water delivered based on monthly meter reading.

Commercial, Industrial and other General Uses	Charge per Ccf			
	FYE 2015 Effective 7/1/14	FYE 2016 Effective 7/1/15	FYE 2017 Effective 7/1/16	FYE 2018 Effective 7/1/17
For all units ¹ of Water	\$5.79	\$6.49	\$7.14	\$7.64

¹1 Unit = 1 Ccf of water = 748 gallons

SCHEDULE W-2: Fire Service within the City and County of San Francisco

Applicable to private fire service installed and maintained according to the rules, regulations and specifications of the San Francisco Water Enterprise:

First: A Monthly Service Charge based on the size of the service.

Service Size	FYE 2015 Effective 7/1/14	FYE 2016 Effective 7/1/15	FYE 2017 Effective 7/1/16	FYE 2018 Effective 7/1/17
1 in	\$7.77	\$8.71	\$9.59	\$10.36
1-1/2 in	\$11.30	\$12.66	\$13.93	\$15.05
2 in	\$15.54	\$17.41	\$19.16	\$20.70
3 in	\$25.44	\$28.50	\$31.35	\$33.86
4 in	\$39.57	\$44.32	\$48.76	\$52.67
6 in	\$74.90	\$83.89	\$92.28	\$99.67
8 in	\$117.30	\$131.38	\$144.52	\$156.09
10 in	\$166.76	\$186.78	\$205.46	\$221.90
12 in	\$308.09	\$345.07	\$379.58	\$409.95

Second: If water is used for any purpose other than extinguishing accidental fires, the W-1C rates for all water delivered based on monthly reading shall apply.

SCHEDULE W-3A: Public Uses within the City and County of San Francisco

Applicable to Public Buildings, Parks and Other Metered Service: Schedule W-1C.

For Street Sprinkling and Flushing when quantities are computed from records of tank wagons and billed as one amount: Schedule W-1C (no service charge to apply).

SCHEDULE W-3B: Interruptible Uses within the City and County of San Francisco

Applicable to interruptible service when service can be interrupted for water shortages and other emergencies at the discretion of the Water Enterprise:

First: A Monthly Service Charge based on the size of the meter.

Meter Size	FYE 2015 Effective 7/1/14	FYE 2016 Effective 7/1/15	FYE 2017 Effective 7/1/16	FYE 2018 Effective 7/1/17
5/8 in	\$8.81	\$9.87	\$10.86	\$11.63
3/4 in	\$11.09	\$12.43	\$13.68	\$14.64
1 in	\$15.66	\$17.54	\$19.30	\$20.66
1-1/2 in	\$27.08	\$30.33	\$33.37	\$35.71
2 in	\$40.79	\$45.69	\$50.26	\$53.78
3 in	\$72.77	\$81.51	\$89.67	\$95.95
4 in	\$118.46	\$132.68	\$145.95	\$156.17
6 in	\$232.69	\$260.62	\$286.69	\$306.76
8 in	\$369.76	\$414.14	\$455.56	\$487.45
10 in	\$529.67	\$593.24	\$652.57	\$698.25
12 in	\$986.57	\$1,104.96	\$1,215.46	\$1,300.55
16 in	\$1,717.61	\$1,923.73	\$2,116.11	\$2,264.24

Second: A charge for all water delivered based on monthly meter reading.

Interruptible Uses	Charge per Ccf			
	FYE 2015 Effective 7/1/14	FYE 2016 Effective 7/1/15	FYE 2017 Effective 7/1/16	FYE 2018 Effective 7/1/17
For all units ¹ of Water	\$5.25	\$5.88	\$6.47	\$6.93

¹1 Unit = 1 Ccf of water = 748 gallons

SCHEDULE W-4: Docks & Shipping Supply within the City and County of San Francisco

Applicable to special shipping service, including hose truck and other special services, from open docks through common hydrants where delivery is not through a service and meter for which the customer is responsible:

First: A Docks & Shipping Connection Fee: Schedule W-44.

Second: A charge for all water delivered based on monthly meter reading.

Docks & Shipping	Charge per Ccf			
	FYE 2015 Effective 7/1/14	FYE 2016 Effective 7/1/15	FYE 2017 Effective 7/1/16	FYE 2018 Effective 7/1/17
For all units ¹ of Water	\$7.64	\$8.57	\$9.43	\$10.10
¹ 1 Unit = 1 Ccf of water = 748 gallons				

SCHEDULE W-5: Builders & Contractors within the City and County of San Francisco

Builders and Contractors supply for metered service through the fire hydrants and other metered service:

First: A Builders & Contractors Connection Fee: Schedule W-44.

Second: A Meter Rental Deposit: Schedule W-44.

Third: A Monthly Service Charge based on the size of the meter.

Meter Size	FYE 2015 Effective 7/1/14	FYE 2016 Effective 7/1/15	FYE 2017 Effective 7/1/16	FYE 2018 Effective 7/1/17
1 in	\$15.66	\$17.54	\$19.30	\$20.66
1-1/2 in	\$27.08	\$30.33	\$33.37	\$35.71
2 in	\$40.79	\$45.69	\$50.26	\$53.78
3 in	\$72.77	\$81.51	\$89.67	\$95.95
4 in	\$118.46	\$132.68	\$145.95	\$156.17

Fourth: A charge for all water delivered based on monthly meter reading.

Builders & Contractors	Charge per Ccf			
	FYE 2015 Effective 7/1/14	FYE 2016 Effective 7/1/15	FYE 2017 Effective 7/1/16	FYE 2018 Effective 7/1/17
For all units ¹ of Water	\$6.95	\$7.79	\$8.57	\$9.17
¹ 1 Unit = 1 Ccf of water = 748 gallons				

Fifth: Any customer who fails to report water consumption as required shall be assessed a non-reporting penalty equivalent to the cost of 25 units of water per month at the current W-5 volumetric rate.

SCHEDULE W-21: Single Family Residential Service outside the City and County of San Francisco

Applicable to single-family dwelling units served through a separate meter or bank of meters: Schedule W-1A.

SCHEDULE W-22: Fire Service outside the City and County of San Francisco

Applicable to private fire service installed and maintained according to the rules, regulations and specifications of the San Francisco Water Enterprise: Schedule W-2.

SCHEDULE W-24: Untreated Water Service

Applicable inside and outside the City and County of San Francisco for untreated water service when the customer furnishes all facilities necessary to convey the untreated water from the San Francisco Water Enterprise's water supply reservoirs to the customer's point of use:

First: A Monthly Service Charge based on the size of the meter.

Meter Size	FYE 2015 Effective 7/1/14	FYE 2016 Effective 7/1/15	FYE 2017 Effective 7/1/16	FYE 2018 Effective 7/1/17
5/8 in	\$8.81	\$9.87	\$10.86	\$11.63
3/4 in	\$11.09	\$12.43	\$13.68	\$14.64
1 in	\$15.66	\$17.54	\$19.30	\$20.66
1-1/2 in	\$27.08	\$30.33	\$33.37	\$35.71
2 in	\$40.79	\$45.69	\$50.26	\$53.78
3 in	\$72.77	\$81.51	\$89.67	\$95.95
4 in	\$118.46	\$132.68	\$145.95	\$156.17
6 in	\$232.69	\$260.62	\$286.69	\$306.76
8 in	\$369.76	\$414.14	\$455.56	\$487.45
10 in	\$529.67	\$593.24	\$652.57	\$698.25
12 in	\$986.57	\$1,104.96	\$1,215.46	\$1,300.55
16 in	\$1,717.61	\$1,923.73	\$2,116.11	\$2,264.24

Second: A charge for all water delivered based on monthly meter reading.

Non-Potable	Charge per Ccf			
	FYE 2015 Effective 7/1/14	FYE 2016 Effective 7/1/15	FYE 2017 Effective 7/1/16	FYE 2018 Effective 7/1/17
For all units ¹ of Water	\$2.24	\$2.51	\$2.76	\$2.95
¹ 1 Unit = 1 Ccf of water = 748 gallons				

SCHEDULE W-25: Wholesale Use with Long-Term Contract

For service to municipalities, water districts and others who, under long-term contracts, purchase water for resale:

First: A Monthly Service Charge based on the type and size of the meter.

Meter Size	Disc/ Compound Meters	Crest Meters	Magnetic Meters	Turbine Meters
5/8 in	\$11.00	-	-	-
3/4 in	\$18.00	-	-	-
1 in	\$30.00	-	-	-
1-1/2 in	\$43.00	-	-	-
2 in	\$79.00	-	-	-
3 in	\$158.00	-	-	-
4 in	\$318.00	\$353.00	-	\$577.00
6 in	\$476.00	\$685.00	-	\$1,256.00
8 in	\$635.00	\$1,335.00	\$2,265.00	\$1,875.00
10 in	\$793.00	\$1,732.00	-	\$3,391.00
12 in	\$935.00	\$1,840.00	\$5,159.00	-
16 in	\$1,270.00	\$5,628.00	-	\$7,215.00
18 in	-	\$6,133.00	-	-
20 in	-	\$6,349.00	-	-

The service charge for a battery of meters installed on one service in lieu of one meter, or for a special type of meter, shall be based on the size of single or multiple standard type meters of equivalent capacity.

SCHEDULE W-25 (Continued)

Second: A Charge for Water Delivered based on monthly meter readings.

\$1,276.31 per acre-foot or \$2.93 per 100 cu. ft.

Third: An Untreated Wholesale Water Rate Discount Factor for Wholesale Customers receiving untreated water, based on monthly meter readings.

\$(143.75) per acre-foot or \$(0.33) per 100 cu. ft.

SCHEDULE W-31: Commercial, Industrial and General Uses outside the City and County of San Francisco

Applicable to multiple-family residential, commercial, industrial and other general uses served through a separate meter or bank of meters: Schedule W-1C.

SCHEDULE W-33: Public Uses Excluding Wholesale outside the City and County of San Francisco

Applicable to Public Buildings, Parks and Other Metered Service: Schedule W-1C.

SCHEDULE W-34: Interruptible Uses outside the City and County of San Francisco

Applicable to interruptible service when service can be interrupted for water shortages and other emergencies at the discretion of the Water Enterprise: Schedule W-3B.

WASTEWATER RATES SCHEDULES

SCHEDULE A-1: This schedule shall apply to Single-Family Residential wastewater customers. The rates under this schedule are based upon the typical strengths for Domestic Wastes, as determined by the General Manager. All Single-Family Residential wastewater customers shall be charged on the basis of discharge units in accordance with the schedule of rates as follows:

Single-Family Residential	Charge per Ccf			
	FYE 2015 Effective 7/1/14	FYE 2016 Effective 7/1/15	FYE 2017 Effective 7/1/16	FYE 2018 Effective 7/1/17
First 4 Discharge Units ¹ / DU ² /Month	\$9.06	\$9.82	\$10.84	\$12.40 ³
All Additional Ccf/DU/Month	\$11.23	\$11.34	\$11.66	\$12.40 ³
¹ 1 Discharge Unit = 1 Ccf of wastewater = 748 gallons ² DU = Dwelling Unit; All Single-Family Residential customers have one dwelling unit per account ³ In FYE 2018, Tier 1 and Tier 2 will be a uniform rate for all wastewater discharge units				

A discharge unit shall be based on the customer's metered water use multiplied by the customer's flow factor representing the quantity of metered water use returned to the sewerage system as wastewater (e.g. a customer using 10 Ccf of water and having a flow factor of 90% shall be billed for 9 discharge units). For customers whose meters are read on a bi-monthly basis, the allowed use in each block shall be doubled.

SCHEDULE A-2: This schedule shall apply to Multiple-Family Residential wastewater customers. The rates under this schedule are based upon the typical strengths for Domestic Wastes, as determined by the General Manager. All Multiple-Family Residential wastewater customers shall be charged on the basis of discharge units in accordance with the schedule of rates as follows:

Multiple-Family Residential	Charge per Ccf			
	FYE 2015 Effective 7/1/14	FYE 2016 Effective 7/1/15	FYE 2017 Effective 7/1/16	FYE 2018 Effective 7/1/17
First 3 Discharge Units ¹ /DU ² /Month	\$9.24	\$9.95	\$10.91	\$12.40 ³
All Additional Ccf/DU/Month	\$11.48	\$11.51	\$11.75	\$12.40 ³
¹ 1 Discharge Unit = 1 Ccf of wastewater = 748 gallons ² DU = Dwelling Unit ³ In FYE 2018, Tier 1 and Tier 2 will be a uniform rate for all wastewater discharge units				

A discharge unit shall be based on the customer's metered water use multiplied by the customer's flow factor representing the quantity of metered water use returned to the sewerage system as wastewater (e.g. a customer using 10 Ccf of water and having a flow factor of 95% shall be billed for 9.5 discharge units). The use allowed in each block shall be multiplied by the number of dwelling units to maximum use allowed in the block (e.g. a customer with 5 dwelling units shall be allowed a maximum of 15 discharge units in the first block – 3 Ccf/Dwelling Units per month times 5 Dwelling Units = 15 Ccf/mo.) For customers whose meters are read on a bi-monthly basis, the allowed use in each block shall be doubled.

SCHEDULE B: Customers other than, Residential Wastewater customers charged under Schedule A-1 and A-2 of this Resolution shall be charged the cost for each parameter according to the following:

Non-Residential	Charge per Ccf			
	FYE 2015 Effective 7/1/14	FYE 2016 Effective 7/1/15	FYE 2017 Effective 7/1/16	FYE 2018 Effective 7/1/17
Volume per Discharge Unit ^{1,2}	\$6.145	\$6.453	\$6.904	\$7.664
PLUS Chemical Oxygen Demand (COD) per lb.	\$0.440	\$0.462	\$0.494	\$0.548
PLUS Total Suspended Solids (TSS) per lb	\$0.828	\$0.870	\$0.931	\$1.033
PLUS Oil and Grease (O/G) per lb.	\$0.867	\$0.911	\$0.974	\$1.082
¹ 1 Discharge Unit = 1 Ccf of wastewater = 748 gallons ² Applicable to the volume of wastewater discharged in accordance with the rules and regulations of the Wastewater Enterprise				

Those customers whose parameter loadings are not based on periodic sampling shall be charged on the basis of standard parameter loadings established by the General Manager for each SIC code in accordance with applicable state and federal laws and regulations.

CAPACITY CHARGES

Section 4: Water Capacity Charge

- A. Any customer requesting a new connection to the water distribution system, or requiring additional capacity as a result of any addition, improvement, modification or change in use of an existing connection to the water distribution system, shall pay a capacity charge for the new or additional capacity required to serve the customer. The capacity charge may not be sold, traded or conveyed in a manner to another site or customer. The capacity charge does not convey or imply ownership in or of any facilities of the Water System. Customers subject to payment of water capacity charges after July 1, 2014, shall pay the charges in accordance with the following table:

FYE 2015 Water Capacity Charge Schedule

Meter Size	Charges
5/8 in	\$1,239
3/4 in	\$1,859
1 in	\$3,100
1-1/2 in	\$6,197
2 in	\$9,917
3 in	\$18,594
4 in	\$30,990
6 in	\$61,983
8 in	\$99,172
10 in	\$142,485
12 in	\$266,385
16 in	\$464,625

- B. The capacity charge shall be adjusted on July 1st of each subsequent year by the annual change in the 20 City Average Construction Cost Index (CCI) published by ENR Magazine.
- C. Customers subject to payment of the water capacity charge shall receive a prior use credit equal to the equivalent charge for the prior usage without regard to any time limit for such credit.

- D. Customers subject to payment of the water capacity charge shall pay 100% of the charge prior to issuance of the applicable building permit. Any plan changes will result in a revised capacity charge payment.
- E. Assessment of the applicable capacity charge will be based on the date that the General Manager receives the final permit application and building plans.
- F. If full payment of all fees and charges is not received in accordance with the General Manager's payment requirements, the new or additional water services will not be authorized.

Section 5: Wastewater Capacity Charge

- A. Any customer requesting a new connection to the Sewerage System, or requiring additional collection or treatment capacity as a result of any addition, improvement, modification or change in use of an existing connection to the Sewerage System, shall pay a capacity charge for the new or additional capacity required to serve the customer. The capacity charge may not be sold, traded or conveyed in a manner to another site or customer. The capacity charge does not convey or imply ownership in or of any facilities of the Wastewater System. Customers subject to payment of wastewater capacity charges after July 1, 2014, shall pay the charges in accordance with the following tables:

FYE 2015 Wastewater Capacity Charge Schedule

Meter Size	SIC 2	SIC 3	SIC 4	SIC 5	SIC 6
5/8 in	\$3,337	\$4,078	\$4,218	\$4,066	\$3,630
3/4 in	\$5,006	\$6,117	\$6,327	\$6,099	\$5,445
1 in	\$8,343	\$10,195	\$10,545	\$10,165	\$9,075
1-1/2 in	\$16,685	\$20,390	\$21,090	\$20,330	\$18,150
2 in	\$26,696	\$32,624	\$33,744	\$32,528	\$29,040
3 in	\$50,055	\$61,170	\$63,270	\$60,990	\$54,450
4 in	\$83,425	\$101,950	\$105,450	\$101,650	\$90,750
6 in	\$166,850	\$203,900	\$210,900	\$203,300	\$181,500
8 in	\$266,960	\$326,240	\$337,440	\$325,280	\$290,400
10 in	\$383,755	\$468,970	\$485,070	\$467,590	\$417,450
12 in	\$717,455	\$876,770	\$906,870	\$874,190	\$780,450
16 in	\$1,251,375	\$1,529,250	\$1,581,750	\$1,524,750	\$1,361,250

Meter Size	SIC 7	SIC 8	SIC 9	SIC 10	SIC 11
5/8 in	\$4,752	\$4,974	\$5,221	\$4,934	\$10,610
3/4 in	\$7,128	\$7,461	\$7,832	\$7,401	\$15,915
1 in	\$11,880	\$12,435	\$13,053	\$12,335	\$26,525
1-1/2 in	\$23,760	\$24,870	\$26,105	\$24,670	\$53,050
2 in	\$38,016	\$39,792	\$41,768	\$39,472	\$84,880
3 in	\$71,280	\$74,610	\$78,315	\$74,010	\$159,150
4 in	\$118,800	\$124,350	\$130,525	\$123,350	\$265,250
6 in	\$237,600	\$248,700	\$261,050	\$246,700	\$530,500
8 in	\$380,160	\$397,920	\$417,680	\$394,720	\$848,800
10 in	\$546,480	\$572,010	\$600,415	\$567,410	\$1,220,150
12 in	\$1,021,680	\$1,069,410	\$1,122,515	\$1,060,810	\$2,281,150
16 in	\$1,782,000	\$1,865,250	\$1,957,875	\$1,850,250	\$3,978,750

- B. The capacity charge shall be adjusted on July 1st of each subsequent year by the annual change in the 20 City Average Construction Cost Index (CCI) published by ENR Magazine.
- C. Customers subject to payment of the wastewater capacity charge shall receive a prior use credit equal to the equivalent charge for the prior usage without regard to any time limit for such credit.
- D. Customers subject to payment of the wastewater capacity charge shall pay 100% of the charge prior to issuance of the applicable building permit. Any plan changes will result in a revised capacity charge payment.
- E. Assessment of the applicable capacity charge will be based on the date that the General Manager receives the final permit application and building plans.
- F. If full payment of all fees and charges is not received in accordance with the General Manager's payment requirements, the new or additional wastewater services will not be authorized.

Water Service Connection & Miscellaneous Fees

SCHEDULE W-40: Meter Resizing

Applicable to all water customers for meter resizing made at the customer's request except when such resizing is required to maintain service pressure or meet flow requirements:

CHARGE TYPE	FYE 2015 Effective 7/1/14
Decrease from existing 2" and smaller service pipes	\$1,500
Increase from 2" copper service, to 1 1/2" or 2" meter	\$1,500
Increase from 3/4" copper service and existing 5/8" or 3/4" meter, to or 3/4" to 1" meter	\$1,500
Increase from 1" copper or plastic service and existing 5/8" or 3/4" meter, to or 3/4" to 1" meter	\$1,500
Reset on meter with existing 2" or smaller copper or plastic service	\$1,140

The Customer Service Bureau shall investigate a request for meter resizing and determine whether a meter size change is warranted based on the current fixture count for the property being served, and that the service will deliver adequate flow to support the meter size required.

All requests for meter decrease for services 3" and larger will be transmitted to the City Distribution Division for an estimate of the costs of resizing the meter. The estimate will be either for the cost to resize the metering device or for the installation of a new service based on the age, location, and meter configuration of the existing service.

For meter resizing not covered in the above or when, as determined by the General Manager, any unusual conditions may result in costs more than 15% greater than the scheduled costs, the General Manager may require payment on the basis of actual costs.

SCHEDULE W-41: Service Installations

Applicable to all water customers for service installations made at the customer's request:

Water Installation Service Charges For Single Services

Size	TYPE	FYE 2015 Effective 7/1/14
1 in	Standard Service	\$8,850
1 -1/2 in	Standard Service	\$12,440
2 in	Standard Service	\$12,440
3 in	Standard Service	\$35,570
4 in	Standard Service	\$35,570
6 in	Standard Service	\$41,760
8 in	Standard Service	\$47,870
1 -1/2 in	Fire Service	\$11,840
2 in	Fire Service	\$11,840
4 in	Fire Service	\$23,380
6 in	Fire Service	\$27,690
8 in	Fire Service	\$31,760
1 in	Combination Service	\$8,850
1 -1/2 in	Combination Service	\$12,440
2 in	Combination Service	\$12,440
1 in	Non-Standard Service	\$8,850
1 -1/2 in	Non-Standard Service	\$12,440
2 in	Non-Standard Service	\$12,440

SCHEDULE W-41: Service Installations (Continued)

Applicable to all water customers for service installations made at the customer's request:

Water Installation Service Charges For Multiple Services

Size	TYPE	FYE 2015 Effective 7/1/14	
		Primary	Secondary
1 in	Standard Service	\$7,240	\$3,530
1 -1/2 in	Standard Service	\$8,650	\$4,730
2 in	Standard Service	\$8,650	\$4,730
3 in	Standard Service	\$36,960	\$30,280
4 in	Standard Service	\$36,960	\$30,280
6 in	Standard Service	\$43,570	\$36,960
8 in	Standard Service	\$50,000	\$42,990
1 -1/2 in	Fire Service	\$9,650	\$5,720
2 in	Fire Service	\$9,650	\$5,720
4 in	Fire Service	\$23,940	\$17,440
6 in	Fire Service	\$28,500	\$21,990
8 in	Fire Service	\$32,900	\$26,370
1 in	Combination Service	\$7,240	\$3,530
1 -1/2 in	Combination Service	\$8,650	\$4,730
2 in	Combination Service	\$8,650	\$4,730
1 in	Non-Standard Service	\$7,240	\$3,530
1 -1/2 in	Non-Standard Service	\$8,650	\$4,730
2 in	Non-Standard Service	\$8,650	\$4,730

The charge for setting each additional meter on an existing or new service for residential and small commercial use and the charge for resetting a meter on an existing usable service shall be established in the same manner as above.

For installations not covered in the above or when, in the opinion of the General Manager, any unusual conditions may result in costs more than 15% greater than the scheduled costs, the General Manager may require payment on the basis of actual costs.

All pipes, valves, fittings, equipment, materials, meters, any other facilities, up to and including the outlet equipment, shall remain the property of the Water Enterprise, and no part of the cost will be refunded.

SCHEDULE W-42: Meter and Service Relocations

Applicable to all water customers for meter and service relocations made at the customer's request. The City Distribution Division shall establish the new location of the meter:

CHARGE TYPE	FYE 2015 Effective 7/1/14
Relocation of meter no more than 2 feet on existing 2" copper service	\$3,460
Relocation of meter no more than 2 feet on existing 1" copper or plastic service	\$2,100

If the General Manager determines that the relocation of an active meter and/or service connection is required because of the operations of the Water Enterprise or because of modifications to a street or right-of-way by a public agency, the relocation will be done without cost to the customer.

If the meter or service to be relocated is not active, the General Manager may elect to sever the service connection and remove the meter without relocating it. If the customer requests the relocation or removal for any purpose and such request is approved by the General Manager, the customer shall pay the greater of the standard charge as described above or the actual cost incurred by the Water Enterprise.

For relocations not covered in the above, or when the General Manager determines that unusual conditions may result in costs more than 15% greater than the scheduled costs, the General Manager may require payment of the actual costs of the relocation.

SCHEDULE W-43: Flow Restricting Installations

Applicable to all water customers:

Violation of any water use restrictions by any customer may, after one written warning and in accordance with all applicable laws and legal restrictions, result in the installation of a flow restrictor device on the customer service line. The charge to install and remove the restricting device shall be as follows:

CHARGE TYPE	FYE 2015 Effective 7/1/14
5/8 in - 1 in	\$245.00
1 1/2 in - 2 in	\$344.00
3 in or larger	Actual cost for customization ¹
¹ Flow Restricting Installations for meters 3" and larger are charged actual cost including materials, labor, equipment, and applicable overhead charges.	

Continued violation of any water use restrictions may result in the discontinuance of water service by the Enterprise and a charge of \$50.00 shall be paid prior to reactivating the service.

SCHEDULE W-44: Service Fees

Except as noted, the following service fees are applicable to all water customers except wholesale customers.

LATE PAYMENT PENALTY

Any charge or fee not paid within 30 days shall be subject to a late payment penalty equal to one-half of one percent (1/2%) for each 30 days or fraction thereof on the amount owed. This late payment penalty shall also apply to wholesale customers.

RETURN CHECK CHARGE

\$96.00

A return check charge shall be applied to any account whose check payment is returned due to insufficient funds, closed accounts or any other reason why the customer's bank did not honor the check. This charge will be made for every such occurrence.

NEW ACCOUNT CHARGE

\$57.00

Any customer establishing a new account for water service shall be assessed a one-time fee to cover administrative costs. In addition, such customer may be required to make a refundable security deposit equal to the greater of two months estimated water charges or \$57.00. The deposit is refundable after twelve months of satisfactory payment history or termination of service and settlement of the final bill, whichever occurs first.

48-HOUR NOTICE

\$50.00

Prior to shutting-off water service for non-payment, the General Manager posts notice on the customer's premises. A charge of \$50.00 will be added to the amount owed for water service to cover the cost of this notice.

SERVICE SHUT-OFF

\$50.00

A shut-off of water service during normal business hours (eight a.m. to four-thirty p.m. daily except Saturday, Sunday and holidays) will be assessed a service charge of \$50.00. A shut-off or turn-on at times other than normal business hours will be assessed a charge of \$55.00.

SERVICE TURN-ON

\$50.00

A service turn-on during normal business hours (eight a.m. to four-thirty p.m. daily except Saturday, Sunday and holidays) will be assessed a service charge of \$50.00. A shut-off or turn-on at times other than normal business hours will be assessed a charge of \$55.00.

LOCK CHARGE**\$14.00**

Any customer whose service is shut-off for non-payment may also be charged for the cost of a meter lock installed in accordance with the Water Enterprise regulations.

METER TEST

Any customer who requests to test the accuracy of their water meter will be assessed \$100 for the first test and a \$325 charge for any subsequent test within a 24-month period. If the meter is found to register more than the limit of error specified in the "Rules and Regulations Governing Water Service to Customers," the testing fee will be returned.

LIEN FEE

Any account with an outstanding balance of greater than \$50.00 and which is delinquent by more than one billing cycle may be recorded as a lien against the property. Any account recorded as a lien against the property will be assessed a lien fee as provided in the Administrative Code of the City and County of San Francisco.

BUILDERS & CONTRACTORS CONNECTION FEE**\$113.00**

Builder and Contractor customers that connect to the system will be assessed a Builders and Contractors connection charge of \$113 to cover the administrative costs for connecting a meter.

DOCKS & SHIPPING CONNECTION FEE**\$231.00**

Docks and Shipping customers that connect to the system will be assessed a Docks & Shipping connection charge to cover the administrative costs for setting up a billing account and field work to provide connecting equipment.

METER RENTAL DEPOSIT

Builder and Contractor customers that connect to the system, in addition to payment of a Builders and Contractors connection fee, shall also pay a meter deposit of \$800 for a 1" meter and \$2,700 for a 3" meter. This deposit is refundable when the account is closed.

NO-REPORTING PENALTY FEE

Builder and Contractor customers that do not bring the rented meter in for reading and testing according to the meter reading schedule, will be assessed a penalty fee equivalent to 25 units (Ccf) of water at the effective W-5 water rate per every delinquent month.

MANUAL METER-READING FEE**\$5.00**

Any customer who has opted out of automatic meter reads will be assessed a manual meter-reading charge to cover the cost of manual meter reading.

FOR SCHEDULES W-40 THROUGH W-44:

The General Manager may each year adjust the fees and charges in schedules W-40 through W-44, without further action by the Commission, to reflect changes in the relevant Consumer Price Index. The price index adjustment shall not cause the charges to exceed the department's cost of providing the service.

POWER RATES SCHEDULES

SCHEDULE R-1: Residential Service. Applicable to Residential Customers served through a separate meter or bank of meters:

Territory:

This schedule is available within the boundaries of the City and County of San Francisco in areas for which the San Francisco Public Utilities Commission's Power Enterprise is the primary electricity provider.

Rates:

Total bundled service charges are calculated using the total rates shown below on a monthly basis, plus any applicable taxes.

First: A monthly service charge per account.

Per Account	\$2.91
--------------------	---------------

Second: A charge for all electricity delivered during the Winter Season based on monthly meter readings.

For the first 278 kWh	\$0.11451/kWh
For the next 83 kWh	\$0.13018/kWh
All additional kWh	\$0.26649/kWh

Or Second: A charge for all electricity delivered during the Summer Season based on monthly meter readings.

For the first 229 kWh	\$0.11451/kWh
For the next 68 kWh	\$0.13018/kWh
All additional kWh	\$0.26649/kWh

SCHEDULE A: Annual Adjustment (applicable to schedules **R-1**, **R-2**, and **C-1**)

Effective July 1, 2012 and each successive July 1, the rates shall be adjusted by the lesser of the annual percentage in the Consumer Price Index (CPI) for All Urban Consumers for San Francisco-Oakland-San Jose published by the U.S. Bureau of Labor Statistics (for 12 months ending December 31 in the calendar year preceding the year during which the rates will be effective) or the change in the Schedule E-1 rate by Pacific Gas and Electric for residential service as of January 1 in the year for which the rates will be effective compared to the Schedule E-1 rate as of January 1 in the prior year. In no case, however, will a reduction in CPI or in the rate charged by PG&E cause the rates charged by the SFPUC to be reduced.

SCHEDULE R-2: Low-income Residential Service. Applicable to Residential Customers served through a separate meter or bank of meters where the Residential Customer qualifies for the SFPUC Low-Income Residential Service for Water and Wastewater Low-Income Discount Programs:

Territory:

This schedule is available within the boundaries of the City and County of San Francisco in areas for which the San Francisco Public Utilities Commission's Power Enterprise is the primary electricity provider.

Rates:

Total bundled service charges are calculated using the total rates shown below on monthly basis, plus any applicable taxes.

First: A monthly service charge per account.

Per Account	\$2.91
--------------------	---------------

Second: A charge for all electricity delivered during the Winter Season based on monthly meter readings.

For the first 278 kWh	\$0.08015/kWh
For the next 83 kWh	\$0.09112/kWh
All additional kWh	\$0.18655/kWh

Or Second: A charge for all electricity delivered during the Summer Season based on monthly meter readings.

For the first 229 kWh	\$0.08015/kWh
For the next 68 kWh	\$0.09112/kWh
All additional kWh	\$0.18655/kWh

Special Conditions (applicable to schedules R-1 and R-2):

1. Seasonal Changes. The winter season is November 1 through April 30. The summer season is May 1 through October 31.
2. Standard Medical Quantities. Additional medical quantities are provided as in Schedule R-M.
3. Additional Meters. If a residential dwelling unit is served by more than one electric meter, the usage of all meters shall be combined for calculating the electric use in each block of the rate. No additional use will be allowed in the first and second blocks of the rate as a result of multiple meters.
4. Standard Service Facilities. Except for metering equipment, which shall be supplied by the SFPUC, the customer is responsible for installing, owning, operating and maintaining all facilities required to receive service at the point of delivery.
5. Special Facilities. If the customer requests the SFPUC install, own, operate or maintain any facilities other than the Standard Service Facilities, the customer will reimburse the SFPUC for all its costs associated with such Special Facilities.
6. Contracts. Customers who use service for only part of the year may be required to execute a contract for service. After the initial term, the contract shall continue for successive term of one year until cancelled by either the Customer or the SFPUC upon thirty days written notice.

SCHEDULE R-M: Medical Necessity Assistance Program

General:

Available to residential customers served by the SFPUC Power Enterprise. Under the Medical Necessity Assistance Program, the number of kilowatt-hours (kWh) of electricity billed in the initial step of the residential customer's applicable rate may be increased. To qualify for this program, the residential customer must have a full-time resident in the customer's home who has a medical disability. The Medical Necessity Use Allowance for eligible residential customers in each step of the applicable rate will be increased by seventy-five percent.

Eligibility:

To qualify for the Medical Necessity Assistance Program, a customer must submit an application and certify in writing that a full-time resident in the customer's home is:

1. Dependent on electrically powered life-support device(s) plugged into the home electric system such as an aerosol tent, pressure pad, apnea monitor, pressure pump, compressor, respirator (all types), electronic nerve stimulator, suction machine, ultrasound nebulizer, electrostatic nebulizer, inhalation pulmonary pressure breather machine (IPPB) iron lung, dialysis machine, hemodialysis machine, motorized wheelchair, or oxygen generator to sustain the life of the patient/person or to prevent deterioration of the patient/person's medical condition; or
2. A paraplegic, hemiplegic, or quadriplegic, multiple sclerosis patient, neuromuscular patient, scleroderma patient, or person with a compromised immune system being treated for a life-threatening illness that requires special electrically powered heating and/or cooling to sustain the life of the patient/person or to prevent deterioration of the patient/person's medical condition.

Application for the Medical Necessity Assistance Program must include certification by a physician and surgeon licensed in the State of California, or by a person licensed by the State of California in accordance with the Osteopathic Initiative Act, that the person named in the application qualifies for the Medical Necessity Assistance Program.

Recertification:

Unless a permanent disability is demonstrated, application for the Medical Necessity Assistance Program must be submitted annually, in accordance with the rules and procedures provided by the General Manager of the SFPUC.

SCHEDULE C-1: Commercial Service. Applicable to commercial, industrial and other general non-residential customers with demands of less than 200 kW served through a separate meter or bank of meters:

Territory:

This schedule is available within the boundaries of the City and County of San Francisco in areas for which the San Francisco Public Utilities Commission's Power Enterprise is the primary electricity provider.

Rates:

Total bundled service charges are calculated using the total rates shown below on a monthly basis, plus any applicable taxes.

First: A monthly service charge per account for single phase or poly-phase service.

Per Account w/Single Phase Service	\$14.47
Per Account w/Poly-Phase Service	\$21.73

Second: A charge for all electricity delivered based on monthly meter readings.

	Winter Season	Summer Season
For all kWh	\$0.14049/kWh	\$0.1963/kWh

Special Conditions:

1. Seasonal Changes. The winter season is November 1 through April 30. The summer season is May 1 through October 31.
2. Standard Service Facilities. Except for metering equipment, which shall be supplied by the SFPUC, the customer is responsible for installing, owning, operating and maintaining all facilities required to receive service at the point of delivery.
3. Special Facilities. If the customer requests the SFPUC install, own, operate or maintain any facilities other than the Standard Service Facilities, the customer will reimburse the SFPUC for all its costs associated with such Special Facilities.
4. Contracts. Customers who use service for only part of the year may be required to execute a contract for service. After the initial term, the contract shall continue for successive term of one year until cancelled by either the Customer or the SFPUC upon thirty days written notice.

SCHEDULE M-1: Miscellaneous Charges. Applicable to residential and non-residential customers as appropriate:

Territory:

This schedule is available within the boundaries of the City and County of San Francisco in areas for which the San Francisco Public Utilities Commission's Power Enterprise is the primary electricity provider.

Late Payment Penalty	\$3.00
Return Check Charge	\$87.00 per occurrence
New Account Charge Deposit	Deposit equivalent to 2 months charges; General Manager may waive this charge upon satisfactory credit check
Service Restoration after Disconnect	\$37.00
Lien Fee	Set by Administrative Code

Charges:

1. Disconnect Notice Charge - \$5.00
2. Document Reproduction Charge - \$0.10 per page
3. Temporary Service Installation and Removal Fee - \$270.00
4. Field Action Charge (Meter Disconnection and Reconnection) - \$45.00
5. Pole or Underground Disconnections (Requiring a line crew) - \$125.00
6. After Hours Restoration Charge (10:00pm-8:00am M-F, weekends and holidays) - \$90.00
7. Lost, Stolen or Damaged Equipment Charge – Lost, stolen or damaged SFPUC equipment will be charged to the customer at the SFPUC's actual cost, including labor, materials, overhead, etc.
8. Customer-requested Electric Service Charges (minimum \$40.00)

Effective July 1, 2012 and each successive July, the miscellaneous charges shall be adjusted based on the annual percentage change in the Consumer Price Index for all Urban Consumers in San Francisco-Oakland-San Jose published by U.S. Bureau of Labor Statistics for the twelve months ending December 31 in the calendar year preceding the year in which charges will be effective, with a base index as of June 30, 2009.

Any customer request for field visits outside normal operating hours, trouble-shooting problems not caused by the SFPUC equipment or service, meter testing or repairs, or any other customer-requested service not covered elsewhere in the Schedule of Charges will be billed to the customer at the SFPUC's actual cost, at the discretion of the General Manager. Such charges may include, but are not limited to labor, materials, vehicles, administrative overhead, etc.

SCHEDULE M-2: Municipal Power Service Rates

This schedule of rates, fees and charges is applicable for electric service from the SFPUC Power Enterprise to those City and County of San Francisco municipal departments and other public agencies receiving electric service at fixed rates, as initially established in SFPUC Resolution 89- 0355 and amended thereafter by the SFPUC, depending upon the charge per kWh in effect for FY 2013-14, and increasing as shown through FY 2015-16.

A charge for all electricity delivered based on meter readings (or equivalent) on or after July 1 as follows:

Municipal Power Service Rates - Schedule M2	FYE 2015 Average Rates	FYE 2016 Average Rates
GUSE – rate is applicable to all General Fund Department activities and other public agencies	5.75¢/kWh	6.75¢/kWh
GUSE 2 – rate is applicable to Municipal Libraries	9.13¢/kWh	10.13¢/kWh
GUSE 3 – rate is applicable to the Moscone Convention Center facilities	7.70¢/kWh	8.70¢/kWh
GUSE 4 – rate is applicable to San Francisco General Hospital	2.70¢/kWh	3.70¢/kWh
GUSE 5 – rate is applicable to Laguna Honda Hospital	3.49¢/kWh	4.49¢/kWh
GUSE 6 – rate is applicable to Public Buildings and San Francisco City Street Lights	2.00¢/kWh	3.00¢/kWh



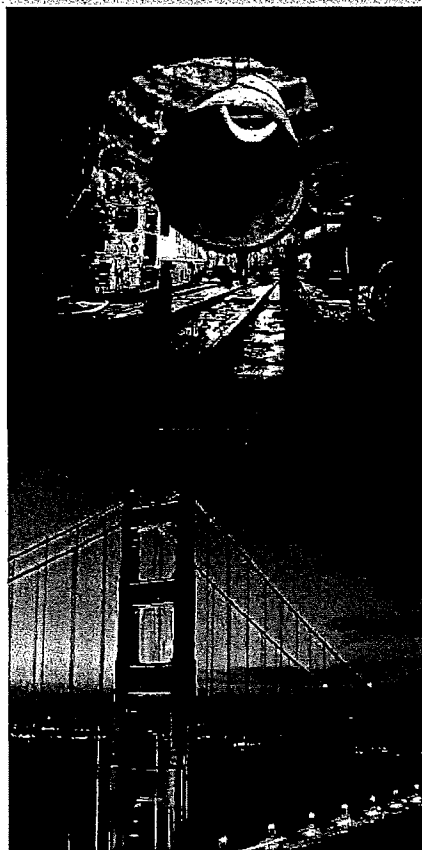
San Francisco
Water Power Sewer
Services of the San Francisco Public Utilities Commission



525 Golden Gate Avenue
San Francisco, CA 94102-3220

sfwater.org

San Francisco Public Utilities Commission
**Rules and Regulations Governing
Water Service to Customers**

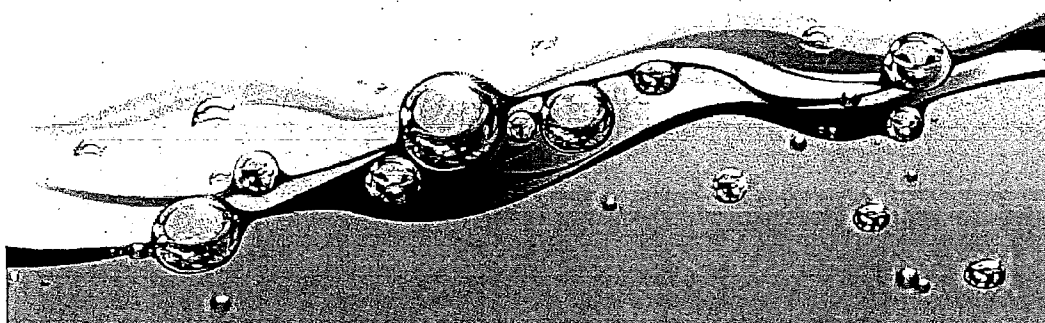


Established by Resolution No. 19.786
Passed December 15, 1959
by the Public Utilities Commission

Effective January 1, 1960 with
Amendments to February 13, 2001



San Francisco
**Water
Power
Sewer**



**San Francisco Water Enterprise
Public Utilities Commission**

Rules And Regulations Governing
Water Service To Customers

Established by
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Effective January 1, 1960

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to February 13, 2001

1155 Market Street
San Francisco, California 94103

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Section A

SECTION A – INSTALLATION OF SERVICES

Rule 1.

Application for Service

The owner or authorized agent of the property to be served shall make written application to the Water Enterprise (hereinafter referred to as "Water Department" or "the Department") for service before extending the house pipe to the curb. Applications shall include the desired location and size of service pipe and meter, fixtures to be supplied or quantity of water required in gallons per minute, the use or class of occupancy of the premises, the area to be supplied, and any other information which shall aid the Department in providing adequate service. Applications for fire service shall include any special requirements of the Fire Department or the Underwriters having jurisdiction. No application for service from an existing main will be considered where the meter(s) for the property to be supplied will be located at an elevation of less than 100 feet below the outlet level of the reservoir supplying the main, unless the applicant agrees to accept such existing water supply and service to the said property as constituting full performance by the Department of its obligation. The Department shall not be responsible for inadequate or improper installations resulting from lack of information in the application.

(Paragraph as amended August 16, 1966. Resolution No. 66-0662)

All standard and non-standard services two inches (2") and larger shall be for use in the area or premises as defined in the application which shall include a term agreement with the terms and conditions fully set forth in the application for such service.

All services of the Department are supplied with the understanding that the applicant agrees to abide by the Rules and Regulations and the Rate Schedules of the Department as they now exist or as they hereafter may be amended.

Section A

Rule 2.
Installation of Service

Service connections will be installed, at the expense of the applicant, from the Department's mains to the meter at the opposite curb line of public streets in which the mains are located and clear of driveways or other obstructions. The meter or meters will be installed on the service inside the curb line or as near thereto as possible. Where the main is in a right of way or easement owned or controlled by the Department, the service will not be extended beyond such right of way or easement.

Where the Department has no main installed, the applicant must arrange for main extension or extend his house piping to the curb of a street occupied by the Department's mains.

No service will be installed on any private road, lane, street, alley, court or place, or extended beyond the curb of the street in which the Department's mains are installed. Applicants desiring such service must extend their housepiping.

The Department reserves the right to determine the location and size of service and meter, to limit the number of houses or buildings and the area of land to be supplied by one service connection, and to refuse service if it considers such service to be detrimental to existing services or to the interests and operations of the Department or to the interests of the City and County of San Francisco. The Department shall determine the class of service, taking into consideration the type of structure, the use of the service, volume of water usage and other pertinent factors.

When more than one consumer is supplied through one service connection and meter, the Department will hold the accepted applicant responsible for the bills for all water supplied. If separate billing is desired, additional services or meters will be installed and bills rendered accordingly, provided the house piping is segregated and brought to the curb line of the property.

Section A

For the purposes of determining charges for installation of water services (Schedule W-41) under the established rate schedules, a service installation shall be understood to mean the connection to the main, the pipe from the main to the meter, appurtenant valves and fittings, and the meter box and appurtenances; and the size of the pipe from the main to the meter shall determine the amount of the installation charge. However, for service pipes normally 2 inches or smaller in size, the Department may, at its discretion, install a larger or smaller size pipe from the main to the meter than is normally required in which case the normally required size of pipe shall determine the amount of the installation charge. For service pipe installations over 2 inches in size or when in the opinion of the Department any unusual conditions may result in costs more than 15 percent higher than the charges in the rate schedule, the applicant shall pay the actual costs of installation. Service charges (Schedules W-1, W-21 and W-25) shall be predicated on the size of meters installed on the service connection.

All pipe, valves, fittings, equipment, materials, meters, etc., up to and including the outlet equipment from the meter or meters shall remain the property of the Department.

**Rule 3.
Standard Service**

Service for immediate and permanent use for standard residential, commercial or industrial purposes and complying in all respects with the provisions of the Department as to size, location and usage will be classed as standard service. The necessary meter or meters will be furnished and installed by the Department without charge.

Section A

Rule 4.

Non-Standard Service

Service for temporary or intermittent use or for purposes not deemed by the Department to comply with its requirements for standard service will be classed as non-standard service. The installation charge shall include the costs of the metering equipment and its installation.

The cost of the metering equipment, less removal costs, may be returned to the original applicant if, within two years of installation, service is terminated and the metering equipment recovered by the Department without damage. Non-standard service extending beyond two years that in fact becomes standard service as defined in Rule 3, Section A, may be declared by the Department to be standard service, and the costs of the metering equipment and its installation refunded to the original applicant, if such applicant so requests within ten years of installation and the total revenue from the service within the two years immediately prior to the request is equal to or greater than ten times the cost of the complete installation.

Rule 5.

Fire Service

Service for automatic fire sprinkler systems or for fire protection of any kind will be classed as fire service provided such service is required by or conforms to the regulations of the Fire Department or the Underwriters having jurisdiction and provided that if water is used for any purpose other than extinguishing accidental fires or for testing the system, the general use schedule of rates for service charge, water delivered and minimum billing shall apply and the Department shall have the right to place a standard meter or meters on the service, if not already installed, at the expense of the customer or to disconnect the entire water supply for the premises.

The installation charge shall include the costs of the metering equipment and its installation.

Section A

**Rule 5A.
Combination Fire Service**

Service for automatic fire sprinkler systems or for fire protection of any kind, when combined with a standard service, will be classed as a combination fire service subject to be the following provisions:

- (1) Such service is required by or conforms to the regulations of the Fire Department or the underwriters having jurisdiction.
- (2) The fire service size shall be determined by the San Francisco Fire Department or other proper authority having fire jurisdiction.
- (3) The domestic service shall be sized in accordance with Department Rules based on demand and/or fixture unit count for the building or premises involved.
- (4) The combined fire and domestic service shall not be sized greater than two (meter) sizes larger than that required to satisfy domestic requirements.
- (5) Maximum size of a combined service shall be 2 inch.
(Rule as adopted, February 10, 1970, Resolution No. 70-0081).

**Rule 6.
Service Outside San Francisco**

It is the policy of the Department to give preference in the sale of water outside the limits of the City and County of San Francisco to municipalities, water districts and communities for distribution under their own operation and control. The Department will, however, consider applications for service from individuals or others located outside of the areas served by such local distributing systems and may within its discretion provide such service until such time as the premises supplied are included within the area served by an independent system, supplied by the Water Department, which independent system desires and is able to provide such service or until such time as it is no longer feasible for the Department to continue to provide such service.

Connections to the Department's transmission mains will be made only at points to be chosen by it. Non-standard service will not be provided from transmission mains except to meet an urgent requirement concerning the public welfare.

Section A

Fire service connections may be allowed provided that domestic service is also supplied by the Department to the same premises. Applications for water service for industrial and other purposes will be considered and may be accepted if not deemed detrimental to existing services or inimical to the interests and operations of the Department and such water service may be furnished under agreement fixing terms and conditions for such service.

In the event it becomes necessary for the Department to abandon a transmission main, the Department reserves the right to discontinue the existing services from such transmission main; and will thereafter supply service, if requested, from the most convenient then existing transmission main.

Wholesale service shall be by application and shall be restricted to the supply of water for distribution by the applicant for domestic and other municipal purposes of the applicant in the service area defined in the application. The application shall be a term agreement in which shall be set forth the area to be supplied, the size of the service, whether the service is for immediate and permanent use or for intermittent use.

Water service conducted pursuant to these Rules and Regulations shall be in accordance with that certain federal statute designated as the "Raker Act".

No new service or services for wholesale water will be installed, nor will any present service or services be increased in capacity; nor will the Department supply water for wholesale to any present service or services to supply any additional area than the area supplied by such present services as of January 1, 1960, unless written application as provided in this section has been properly signed, received and approved by the Department.

Unless written application as provided in this section has been signed, received and approved by the Department from the present wholesale customers the Department will notify each such customer for wholesale water that, effective January 1, 1960, the Department will not guarantee to supply water in excess of the safe plant capacity existing as of January 1, 1960.

All supply and distribution lines leading from the Department's meters shall be installed and maintained by the applicant at his expense and the applicant will be held responsible for payment for all water delivered whether beneficially used or lost through leakage.

Section A

Rule 7.

Basement Under Sidewalk

Where the basement of the property to be served extends under the sidewalk area, the owner or applicant shall provide, at a point approved by the Department, the necessary opening in the retaining wall to extend the service pipe, and the meter shall be installed on the service just inside such wall in a position convenient for reading or for making any repairs or changes necessary. Neither the Department nor its officers, employees or agents shall incur any liability of any kind whatever by reason of the installation or presence of Department's meter, service pipe or any other facility or facilities of Department in or near the said property to be served.

The owner, tenant or customer shall provide and maintain easy access to the meter for reading or any other purpose the Department may deem necessary. Failure to remove any obstruction within ten (10) days after notification by the Department, will be sufficient cause for removal of the meter, at the expense of the applicant, to a more accessible location or for discontinuance of service.

Rule 8.

Change of Location or Size of Service or Meter

Applicants desiring a change in the location, arrangement or size of the service or meter must bear all cost of such change.

(Rule as adopted, April 13, 1971. Resolution No. 71-0130).

Rule 9.

Protection of Public Water Supply

Services, meters and house piping shall conform to the rules of the Water Department, to the Building, Plumbing and Fire Ordinances and to any legal requirements of the State Department of Public Health or other authority having jurisdiction.

Where an auxiliary water supply exists in any building or premises connected to the system of the Department, approved backflow protection must be provided unless the auxiliary water supply is acceptable as an additional source of water by the Department. This requirement shall include the handling of process waters and waters originating from the Department which have been or may be subject to deterioration in sanitary quality. Backflow prevention devices shall be installed where internal cross connections exist unless such cross connections are abated to the satisfaction of the Department.

Section A

The Department will not supply water to any building or premises having an auxiliary water supply or where cross connections exist unless approval for such service is first obtained from the Department.

Approval may be granted under the following conditions:

(a) Premises With Auxiliary Water Supply

Where approved backflow prevention devices are installed and maintained by the customer to the satisfaction of the Department.

(b) Premises With Cross Connection

Where approved backflow prevention devices are installed and maintained by the customer to the satisfaction of the Department or where approved air-gap separation has been provided

(c) Sewage Treatment Plants or Sewage Pumping Stations

Where the Department's service line is protected by approved air-gap separation before the first fixture and where the piping between the service cock and the receiving tank is entirely visible.

The Department may require an affidavit at any time to the effect that no cross connection or auxiliary water supply exists or stating the size and location if any do exist.

Failure to comply with any requirements relative to the protection of public water supplies will be sufficient reason for immediate discontinuance of any service until such time as it is determined that the requirements of the Department have been met.

Rule 10.

Control Valves, Ground Wires, Etc.

The owner or accepted applicant of the property to be or being supplied shall, if not already provided, install a gate type control valve on the house pipe between the Department's meter and the first fixture outlet.

Neither the Department nor its officers, employees or agents shall incur any liability of any kind whatever by reason of water running from open or faulty fixtures or from broken or damaged house pipes, i.e. for pipes beyond the Department's meter.

Section A

No one may attach any ground wire or wires to any plumbing which is or may be connected to any service pipe or main belonging to the Department unless such plumbing is adequately connected to an effective driven ground installation on the premises. Neither the Department nor its officers, employees or agents shall incur any liability of any kind whatever by reason of the use of any facility for grounding purposes which is or may be connected to the system of the Department.

The owner or accepted applicant will be held liable for any damage to the property of the Department which may be willfully caused by him or result from carelessness or negligence on his part or on the part of any person or entity acting for or on behalf of such owner or accepted applicant and in particular, without limiting the foregoing, for damage occasioned by operating the Department's stop cock in lieu of a control valve, for damage due to ground wire attachments and for damage to the meter caused by hot water or steam from the premises. In the event payment for such damage is not promptly made, the Department reserves the right to disconnect service to the premises until all claims are satisfied.

Rule 11.

Mains and/or Services in Impaired Sub-Surface Areas

Where mains and/or services are installed in streets where new installations or maintenance work will be impaired because of Redevelopment, Subways or similar public projects, the Department's policy is to remove such mains and/or services wherever feasible and to make no new installations in such streets.

Properties presently being served from such streets and abutting another street in which the Department has distribution mains will, if any changes in present service or any new service are required, be served only from such other street and the owner, agent, lessee or applicant shall extend his existing pipe to such other street to meet the new service location.

Where property presently abuts a side street, and is later subdivided so that any parcel will no longer have access to the side street, the owner, agent or lessee shall make the necessary arrangements to insure that such parcel or parcels shall be served from the appropriate side street.

If an owner, agent or lessee of property is unwilling to so extend a connection to such side street, the Department may refuse service to such property upon a determination that such service would be detrimental to existing services or detrimental to the interests of the Department or of the general public.

(Rule as adopted August 16, 1966. Resolution No. 66-0664).

Section B

SECTION B – EXTENSION OF MAINS

(Section Revised January 16, 2001, effective February 13, 2001, Resolution No. 01-0035).

In the context of this Section B, the term "extension" shall mean the installation of a new water main to an area that has no existing main referred to as "new extension", or to the upgrade to an existing main referred to as "extension upgrade" to meet new demand of the applicant. Extension upgrade includes the changeover of service lines from the existing main to the new main. Rules established for "extension" without any specific "new" or "upgrade" shall apply for both cases.

The term "facility" shall mean any new installation besides the main extensions. Typical facilities include pump stations, hydro-pneumatic stations, reservoirs, water tanks, and pressure regulator stations.

**Rule 1.
Installation**

The Department will determine if a main or mains extension or modifications to existing Department facilities or new facilities are required based on the applicant's water demands.

The Department will specify characteristics of the extension such as size, location of the mains and any facilities that are required or approve extension or facility characteristics proposed by the applicant.

The Department will be responsible for the design of the extension or facility or approve the applicant's design.

The Department will do the installation, hire a contractor or approve a contractor hired by the applicant to do it.

No extension or facilities shall be installed until such time as roadways are completed to sub-grade and construction of curbs and gutters are completed.

Installation by a contractor shall be inspected either by SFPUC inspectors or by inspectors selected or approved by the Department.

Section B

Rule 2.

Ownership Transfer

a) Installations in streets already accepted by the City Board of Supervisors (BOS)

- Installation done by the Department

The ownership of the installation is with the Department

- Installation done by others

The ownership of the installation is transferred to the Department on the day the installation is put into service or the day the applicant provides to the Department a 5-year warranty as to workmanship, whichever is later. The 5-year workmanship warranty shall be in the form of a warranty bond or other financial instrument acceptable to the Department.

b) Installation in streets not accepted by BOS or in private properties.

Ownership of the installation remains with the applicant. The Department will install appurtenances (valves, meters) in the system that delineate the ownership boundary change.

The Department may assume the ownership of the installation if certain conditions are met. Conditions include but are not limited to:

- Pipeline right-of-way, facility access roads, and facility sites, as determined by the Department, have been provided to the Department.
- Design plans and specifications have been approved by the Department prior to construction.
- The installation met the Department standards. The Department may make a field investigation to insure the conformance to Department standards and require modifications/repairs as necessary before considering the ownership transfer.
- The inspection has been performed by SFPUC inspector or inspector approved by the Department.
- As-built drawings, acceptable to the Department, have been provided to the Department.
- A 5-year warranty as to workmanship, from the construction completion date of the installation or repairs/modifications work has been provided to the Department.

If the Department satisfies all its requirements and accepts the ownership of the installation, the Department will issue a Certificate of Ownership Change. The effective date of the ownership transfer will be the date on the certificate.

Section B

Rule 3.

Financial Responsibilities

Unless otherwise indicated, the applicant is responsible for all costs of the installations required to meet new demands and costs related to the ownership transfer.

Costs of the installations include, but are not limited to, costs for project management planning, design, materials, equipment, installation, inspection, system disinfection, and land acquisition (as applicable).

For the service or work to be performed by the Department, the applicant shall make a deposit equal to the estimated cost, as determined by the Department. At the completion of the installation, the Department will determine the actual costs. Refund or additional charges shall be made to or requested from the applicant should the estimated costs differ from the actual costs.

If any of the costs have been paid to a party besides the Department, at the completion of the installation, the applicant shall submit to the Department these costs incurred by him/her for each extension and each facility. The applicant shall provide all supporting documents to the Department for these costs. The Department will review the expenditures and determine the reasonable costs that will be applied for future refunds, if any. If the applicant fails to submit the costs to the Department within 60 calendar days after the day when the installation is put into service, the Department will unilaterally determine the reasonable costs.

Where the Department, in the anticipation of future development, specifies an extension system that is beyond and above the need of the applicant, the applicant is only responsible for the system that satisfies existing customers' and the applicant's demands.

The Department will, at its own expense and without deposit, install the first 150 feet and street crossings of a new extension required to provide exclusively standard service. If the new extension for standard service is longer than 150 feet, the applicant is only responsible for the portion of the extension in excess of the first 150 feet and street crossings. For a new extension required for fire or other services (besides standard service), or an extension upgrade for any service, the applicant is responsible for the entire cost of the extension.

Section B

**Rule 4.
Cost Sharing by New Applicants**

a) Cost Sharing Requirements

New applicants, who need the service from an extension or a facility, shall be required at the time of application for service to pay through the Department their shares of the installation cost paid by the previous applicant(s), if the dates of the new applications are within 10 years of the date when the extension or the facility is put into service. The Department will determine the costs as determined hereinafter. The Department will make the request to the new applicants, collect monies from them and pay to previous applicant(s).

The Department will make refund payments to the previous applicant(s) who actually paid for the installation or part of it. The right of collecting refunds is not transferable. Previous applicant(s) who are entitled to refunds shall notify the Department of any address change. If the Department cannot contact an applicant to send a refund, the Department will retain the fund.

No service hook-up for new applicants shall be made before the sharing costs are deposited to the Department.

No cost sharing is required for applications submitting after the 10-year period.

The Department will retain 5% of the refund monies to administer the refund program.

b) Cost Sharing for Main Extensions

The cost of a main extension will be shared on a proportional basis among all customers connecting to the main extension. The share of cost assigned to each new connection will be calculated using information available from Customer Service Bureau records and the following formula:

$$S = \frac{M \times L}{T} \times C$$

Section B

Where:

S: Cost share of the connection.

M: Meter size in inches

L: Distance in feet from the beginning of the extension to the point of the new connection.

C: Total cost of the extension paid by the original (first) applicant.

T: The sum of M x L terms of all connections to the extension. Changeover, connections for extension upgrade are excluded.

Every time there is an application for a new connection to the extension, term "T" will increase and the cost share of all previous connections will be reduced. Applicants of previous connections will receive a refund, which is the difference of their previous cost share and the new cost share.

In case of an extension upgrade, all existing services that need to be connected to the new main (changeover) shall not be considered as new connections and consequently will not be included in the cost sharing calculation.

The applicant shall not receive any refund if he/she asks for disconnection of a service that was part of the cost sharing calculation.

An applicant, who needs an extension from an existing extension, shall share the cost for the entire length of the existing extension (the total length of the extension will be used to calculate his/her share). Besides, he/she will be responsible for the entire cost of the new extension.

c) Cost Sharing for Facility

- Facility can accommodate additional demand of the new applicant

If the Department determines that the facility can accommodate the new applicant's demand, the cost sharing is proportional to the ratio of the new demand over the total capacity of the facility. The ratio shall be determined by the Department.

The cost share S of the new applicant will be:

S: Cost share of facility

d: New applicant demand in gallons per minute (gpm)

$$S = \frac{d}{D} \times C$$

D: Total capacity of facility in gallons per minute (gpm)

C: Total cost of the facility excluding main extension paid by the original applicant

Section B

- Facility cannot accommodate additional demand of the new applicant

If the Department determines that the facility cannot accommodate the new applicant's demand and it needs to be upgraded to satisfy new demand; the cost sharing shall be through an agreement between the original and new applicants with the approval of the Department. If no agreement can be reached within 90 calendar days from the date of the new application, the Department shall unilaterally determine the cost sharing based on modifications to the facility that best suit the Department's operation. Besides the cost share for the existing facility, the new applicant shall be responsible for all modifications as determined by the Department.

d) Cost Sharing Paid to the Department

The Department may also decide to install an additional extension or oversize an extension or a facility needed by an applicant to satisfy anticipated future demands. The Department will be responsible for what is above and beyond the applicant demand. However, any new applicant who needs the service of the additional or upgraded extension or facility will be requested to share the cost paid by the Department in the same way as outlined in b) and c) above.

Under no circumstances shall customers be requested to pay any cost share for connecting to a new main that has been installed as part of the Department's systematic Ductile Iron Main Replacement Program.

**SECTION C – APPLICATION FOR WATER SUPPLY
AND RESPONSIBILITY OF APPLICANTS**

Rule 1.

Application for Supply

An applicant for water supply shall furnish such information as the Department requires to establish the account and shall establish credit as provided in Rule 2 of this Section. When a guarantee deposit is required the application shall be in writing. The responsible applicant, person or firm being supplied will be held liable for payment for all water delivered from the time service begins until the Department is notified in writing and discontinues service pursuant to such notification.

Where changes have been made in the house piping which affect the supply area as shown on the records of the Department, and the Department has not been afforded an opportunity to inspect such changes, the accepted applicant will also be held liable for payment of the bills as issued.

If water is desired through fire hydrants, permit must first be obtained from the Fire Department having jurisdiction. The permit shall then be filed with the Department together with the application for water supply.

All services of the Department are supplied with the understanding that the applicant agrees to abide by the Rules and Regulations and the Rate Schedules of the Department as they now exist or as they hereafter may be amended.

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Rule 2.
Establishing and Maintaining Credit

Customers are required to establish and maintain credit to the satisfaction of the Department. A regulation guarantee deposit may be required before granting, continuing, or re-establishing service.

When a guarantee deposit is required for a metered water supply, such deposit shall be approximately twice the estimated monthly water and sewer service charge bill but in no case shall it be less than \$50.00. The deposit for temporary unmetered usage or for special shipping service may be equal to the estimated maximum bills for service to be rendered.

(Paragraph as amended May 25, 1999. Resolution No. 99-0138)

When service has been given with the understanding that a guarantee deposit is to be made and such deposit is not made within ten (10) days, the Department may discontinue service.

At time of application for service, the Department will require a form of verifiable identification from the customer. Failure to provide such identification will result in not providing water service to the applicant.

(Paragraph as adopted May 25, 1999. Resolution No. 99-0138)

If an applicant has failed to pay the amount billed for all services rendered, the Department may discontinue or refuse to furnish service until the outstanding bills are paid and may apply any deposit to liquidate the bills. The Department may then require that the deposit be restored or, if none, may require that a regulation guarantee deposit be made before service will be granted, continued or re-established.

A guarantee deposit will be required in the amount of the estimated replacement cost of the metering equipment for portable meters issued for the drawing of Department water from fire hydrants.

(Rule as adopted, April 13, 1971. Resolution No. 71-0130).

Rule 3.
Return of Deposit

A guarantee deposit shall be returned to the depositor at the expiration of twelve months provided credit has been maintained to the satisfaction of the Department. The Department may extend the twelve – month period for holding a guarantee deposit to twenty – four months if the customer's payment record so warrants. Refund of a deposit held beyond the twelve-month period will be made on application therefore

Section C

provided that credit has been maintained to the satisfaction of the Department. Upon closing an account the balance of any deposit remaining after settlement of the closing bill will be returned promptly to the depositor. Interest will be paid on guarantee deposits based on recommendations from time to time from the Public Utilities Commission's Bureau of Finance.

(Rule as amended May 25, 1999. Resolution No. 99-0138)

Rule 4.

Charge for Turning On/Shutting Off Water Supply

A service turn-on or shut-off during normal business hours (eight a.m. to four-thirty p.m. daily except Saturday, Sunday and holidays) will be assessed a service charge of \$34.00. A shut-off or turn-on at times other than normal business hours will be assessed a charge of \$50.00 (Schedule W-44).

Rule 5.

Water Used Without Regulation Application

A person or firm taking possession of premises and using water without having made application to the Department for service, shall be liable for the charges from the date of the last recorded meter reading. If such use has not been metered the Department will install a meter and may render a bill based on the use of water as estimated by the Department and for as long as the consumer has been occupying or in possession of the premises without paying bills.

If proper application is not made upon notification by the Department to do so and if accumulated bills for service are not paid on presentation, service will be discontinued without further notice.

**SECTION D – METER READING, BILLING
AND COLLECTION**

Rule 1.

Billing Periods

Under ordinary conditions meters will be read either monthly or bi-monthly as determined by the Department on approximately the same day of the month and bills will be issued showing the period covered by the meter readings, the quantity of water delivered and the total charge for the service rendered. Bills will also be rendered upon termination of service.

Service periods up to 40 days will be considered as one month and those up to 70 days will be considered as two months when computing charges.

Rule 2.

Billing for Two or More Meters

For the purpose of making charges, all meters will be billed separately and the readings will not be combined except that where the Department shall, for operating necessity, install two or more meters in place of one meter, then the readings of such meters will be combined for billing purposes.

Where the Department, for operating necessity, decides to supply a customer taking water for wholesale through more than one connection at different points on the same transmission main instead of at one point, the readings of the meters at the several connections may be combined for billing purposes. Such combinations will not be made unless the water is for use within the limits of a single municipality or well-defined community and the Department's system is the sole source of supply, and will be limited to three in number each not less than four inches in size.

Rule 3.

Size of Meter for Billing

The scheduled rate for service charge based on the size of the meter shall apply to disc or other displacement type meters, and to compound meters. Where current, velocity or magnetic meters are installed, the service charge shall be based on the size of compound meter or meters of equivalent delivery capacity.

Section D

**Rule 4.
Presentation and Payment of Bills**

Unless the applicant specifies otherwise, bills will be mailed to the premises.

Bills are due and payable on presentation, i.e., when mailed or upon delivery in any manner and become delinquent fifteen days thereafter. Service may be discontinued for non-payment of a delinquent bill or for any other infraction of the rules.

**Rule 5.
Proper Charges – Time Limit**

Any bill for water supplied or service rendered will be considered a proper charge unless protest is made to the Department within fifteen (15) days after presentation.

In case of dispute as to payment of a bill, the customer will be required to present the receipted bill, cancelled check or other evidence of payment.

The Department will, upon request of the customer or for other reason, make an inspection of the premises on account of apparently excessive bills. After the Department has made a complete inspection, no further inspection will be made for a period of six (6) months provided, however, the Department may order an inspection at any time if conditions warrant.

**Rule 6.
Allowances**

The customer has sole control of the water-delivered beyond the Department's meter and the Department is not responsible for maintenance and repairs of the pipes and fixtures beyond the meter. In order to encourage prompt repairs of leaking pipes or fixtures the Department may, under certain conditions, grant allowances for apparently excessive bills resulting from leakage beyond the meter. All risk of loss beyond the point of delivery shall be borne by the customer, except as otherwise provided herein.

- a) Allowance may be granted only when claim has been received as provided in Rule 5 of this Section and evidence clearly shows that the apparently excessive bill is due to leaking pipes or fixtures and not wasteful use and then only when repairs have been promptly made and reported to the Department. The allowance, if granted, will be for not more than two billing periods including that in which the claim was made.

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- b) Allowance ordinarily may be granted on the basis of one-half of the excess delivery due to leakage but in the case of concealed leaks in underground or unexposed pipes, full excess may be allowed.
- c) Outside San Francisco no allowance will be made on account of leakage except when in the judgment of the Department exceptional conditions justify allowance and then only for concealed leaks in underground or unexposed pipes. In that event allowance may be granted based on from fifty to one hundred percent of the excess delivery. No allowance shall apply to customers taking water for wholesale.

The Department shall be the sole judge in determining the excess delivery due to leakage.

(Rule 6 as amended April 8, 1997. Resolution No. 97-0090)

Rule 7.

Meter tests

If the customer questions the accuracy of a meter the Department will, upon written request, test the meter. The customer should be present to witness such meter test.

If the customer requests more than one meter test in any twelve month period a fee of Five Dollars (\$5.00) will be required for each such additional test.

If the meter is found to register more than two percent fast the testing fee, if deposited, will be returned together with any overcharge based on correct meter readings. Such overcharge may be allowed for the twelve months next preceding the test or as much of the twelve months as the customer had been paying bills on the fast meter.

If the meter registers within the limit of error specified above, the testing fee, if deposited, will be applied by the Department to partially offset the costs of making the test.

Rule 8.

Non-Registering Meters

If a meter fails to register or to properly indicate the flow of water, a bill will be rendered on the basis of the average consumption of three preceding billing periods during which the meter was presumed to be functioning properly.

Bills rendered under the provisions of this rule will be subject to adjustment to give consideration to volume of business, seasonal demand, subsequent reading of a new meter, or other factors which may aid in making a proper charge.

SECTION E – GENERAL

Rule 1.

Compliance With Emergencies

In order to comply with any laws of the United States, the State of California or the City and County of San Francisco with respect to any National, State or Local Emergency and any executive and administrative proclamations and orders made thereunder, each rule or regulation of the Department affected by such emergency shall be suspended or modified to the extent necessary to permit the Department to comply with any such laws, proclamations and orders during the period they are in effect.

Rule 2.

Application of San Francisco Rates

Where the Rate Schedules provide different rates for water service "within" and "outside" the limits of the City and County of San Francisco, rates applicable within the limits of San Francisco shall apply to all water service to premises served through a connection to the Department's mains which, together with the meter or meters, is located within the boundaries of the City and County of San Francisco.

All other services shall be considered outside services.

Rule 3.

Improvement of Service

The Department may, as a part of its routine operations, enlarge, extend or replace its mains, services or other facilities and perform necessary work incidental thereto to whenever the Department head shall determine that such work is necessary.

Section E

Rule 4.

Pressure and Supply

The Department does not guarantee pressure or continuous supply nor will it accept responsibility at any time for the maintenance of pressure on its lines nor for increases or decreases in pressure. It reserves the right at any and all times, without notice, to shut off water for the purpose of making repairs, extensions, alterations or improvements and to increase or reduce pressure as a part of its operations. Neither the Department nor its officers, employees or agents shall incur any liability of any kind whatever by reason of the cessation in whole or in part of water pressure or water supply. Customers depending upon a continuous and uninterrupted supply shall provide emergency storage, oversize piping, pumps, tanks, pressure regulators, check valves or other means for a continuous or adequate supply or to safeguard their facilities.

Rule 5.

Tampering With Department Property

No one except an employee or representative of the Department shall at any time in any manner operate the main cocks, gates or valves of the Department's system, nor connect or disconnect the service pipe, nor interfere with meters or their connections, street mains or other property of the Department. Where the stop cock is operated in lieu of a control valve on the house pipe the Department will not be responsible for any damage resulting from the malfunction or breaking of the service pipe, stop cock, meter, house pipe or any connections.

The Department reserves the right to recover for damage to any of its facilities caused by the acts of others and will not be responsible for water damage occasioned by such acts of others.

Rule 6.

Admission of Department's Employees

Employees or representatives of the Department shall be admitted during reasonable hours to customers' premises to perform the various functions required in the performance of their regular duties. Those engaged in such work will be furnished with badges or other means of identification.

Section E

Rule 7.
Abatement of Noises.

Where it has been determined that noises or other disturbances are originating from a customer's premises caused by apparatus attached to the water pipes or fixtures and are resulting in annoyance to other water users or may damage the Department's facilities, the Department may issue a notice to such customer or to the owner or agent of the property requesting removal or correction of the cause of complaint. Failure to properly abate the nuisance will be sufficient reason for discontinuing water service.

Rule 8.
Removal and Relocation of Facilities

Property owners or others desiring the removal or relocation of fire hydrants, water mains, services, meters or other facilities of the Department must bear all costs of such removal or relocation.

In the case of any work involving a fire hydrant, the applicant will be required to present a written permit authorizing such work from the Fire Department having jurisdiction.

Rule 9.
Determination of Cost

In determining the actual cost of any work to be done by the Department at the expense of others, such cost shall include labor, material, engineering, inspection, contractual service, administrative service, and any other proper element of cost. Ten percent shall be added to all other costs for administrative services, except where work is performed for this Department by others, under contract, in which case five percent shall be added for administrative services.

(Paragraph as amended August 16, 1966. Resolution No. 66-0666)

The applicant shall make written request of the Department for the estimated cost of the proposed work following which such estimated cost, or the charge if listed in these rules or in the rate schedules, must be deposited before the Department can proceed. If the work has been done on an estimated cost basis, any difference between the amount deposited and the actual cost shall be adjusted by the Department or the depositor as required.

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The requirement for a deposit shall not apply to work to be performed for a governmental agency or a public utility where satisfactory written authorization has been received covering agreement to pay for such work.

Any fees, deposits or payments imposed by and paid to the Department for installation charges, estimated costs, deposits or penalties may be refunded after adjustment for service and deduction for expenses of the Department, if any, as determined by the Department as hereinafter set forth: Provided, that such payment was made by reason of:

1. Duplicate payment.
2. Payment made in excess of actual amount due.
3. Payment erroneously imposed or collected by reason of error.
4. Payment for installation where no installation has been made.
5. In the case of deposits for service connection charges and where no work or partial work has been performed, and where the applicant notifies the Department of the abandonment of its application for service connection in whole or in part, or where such application has been canceled or denied by the Department.

The provisions of this rule relating to the right of refund of money shall apply to all claims for refunds of any kind heretofore presented, approved and transmitted to the Controller, on or subsequent to November 1, 1963; and the payment of all such claims made prior to November 1, 1963 is hereby ratified and approved.

(Paragraphs as adopted August 16, 1966. Resolution No. 66-0667)

Section E

Rule 10.

Damage Claims

Claims for damage which may be caused by, or result from, the Department's operations should be made pursuant to Section 87 of the Charter of the City and County of San Francisco, if said section is applicable, or pursuant to applicable provisions of the statutes of the State of California. In addition, prompt notice of any damage caused by or resulting from the Department's operations should be given by telephoning the City Attorney's Office, Claims Division at (415) 554-3900 to obtain a claim form and instructions. Evidence of damage involved in such claims shall not be destroyed before the Department has been given opportunity to inspect such damage.

Rule 11.

**Applicability of Charges for Water Use Due to Noncompliance
with Conservation Measures**

All retail paying and nonpaying customers within and outside of the City and County of San Francisco, including but not limited to Federal, state and local governments, shall be subject to any charges for water resulting from noncompliance with various conservation measures imposed under the rate-setting authority of the Public Utilities Commission. These conservation measures include, but are not limited to the following:

- (1) retrofitting of showerheads;
- (2) installation of water-conserving plumbing fixtures such as aerators with restrictors on all faucets and permanent devices to reduce the amount of water used per flush by toilets using more than 3.5 gallons per flush;
- (3) excess use charges in the event of mandatory rationing; and
- (4) such other water conservation measures as may in the future be adopted by the Public Utilities Commission.

(Paragraph as adopted July 9, 1996. Resolution No. 96-0137)

Section E

Rule 12.
Water Use Restrictions

The customer will be in violation of the Department's Water Use Restrictions, if the customer is found to be using water excessively in the following ways:

- (a) Water waste, including but not limited to, any flooding or runoff into the street, sidewalk or gutter;
- (b) Using hoses for any purpose without a positive shut-off valve;
- (c) Serving water at a restaurant, café or food counter without waiting for a request by a customer or customers;
- (d) Use of potable water for consolidation of backfill, dust control or other non-essential construction purposes if groundwater or reclaimed water is available and approved by the Department of Health;
- (e) Use of single-pass cooling systems, fountains and commercial car washes.

The first violation of any water use restriction by any customer will result in a written warning. The warning will be given to the customer or attached to the customer's door. If the customer violates any water use restrictions ten or more days after the first violation, the customer will receive a written warning attached to the customer's door and a letter specifying the violation and the possible action of a repeat violation will be sent to the customer at the account's billing address. If the customer violates any water use restrictions ten or more days after the second violation, the customer may choose to attend a Department-approved seminar on water conservation measures or in accordance with all applicable laws and legal restrictions, have a flow restricting device installed in their service line. If the customer is an owner or manager of a business, the manager or owner of the business must be the representative attending the seminar. If the customer is a municipal account, a foreman or a supervisor must be the representative attending a seminar.

Section E

If the customer violates any water use restrictions ten or more days after the third violation or if the violation results in a public safety hazard, the Department may elect to terminate the water service. The customer shall bear the cost of the enforcement action and any costs associated with reconnecting the water service. Exceptions to water use restrictions in San Francisco may be made for the protection of public health or safety.

(Paragraph as adopted August 27, 1996. Resolution No. 96-0160)

Rule 13.

Interpretation of Rules and Regulations

In the event of any question as to interpretation or application of any of these Rules and Regulations, the Department shall make such interpretation or application. In event of appeal, the ruling of the Public Utilities Commission shall be final.

Section F

SECTION F - WATER EFFICIENT IRRIGATION RULES WILL:

Purpose

- a) Promote the values and benefits of landscapes while recognizing the need to invest water and other resources as efficiently as possible;
- b) Establish a structure for planning, designing, installing, maintaining, and managing water efficient landscapes in new construction and rehabilitated projects;
- c) Establish provisions for water management practices and water waste prevention for existing landscapes;
- d) Promote using water efficiently without waste by setting a Maximum Applied Water Allowance, using state mandated formulas and accounting for local climatic conditions, that will serve as an upper limit for water use by irrigated landscapes;
- e) Comply with the requirements of Article 10.8 of the California Government Code, enacted by the State as the Water Conservation in Landscaping Act; and
- f) Delineate the conditions under which the San Francisco Public Utilities Commission provides water for landscape irrigation uses.

Rule 1.

Applicability

- a) Section F shall apply to all of the following projects and activities.
 - i. Tier 1: All public agency, residential, and commercial new construction and rehabilitated landscape projects with a modified landscape area equal to or greater than 1,000 square feet and less than 2,500 square feet.
 - ii. Tier 2: All public agency, residential and commercial new construction and rehabilitated landscape projects with a modified landscape area equal to or greater than 2,500 square feet.
 - iii. The irrigation and maintenance of any landscape irrigation system.

Section F

b) Section F does not apply to:

- i. Registered local, state or federal historical sites where the landscape is maintained as part of the historical integrity of the site;
 - ii. Ecological restoration projects that do not require a permanent irrigation system; and
 - iii. Plant collections or animal habitat areas, as part of botanical gardens, zoological gardens, and arboretums open to the public.
-

- c) The General Manager may waive some or all of the requirements of Section F for landscape rehabilitation projects proposed by San Francisco Public Utilities Commission's retail water customers located outside the boundaries of the City and County of San Francisco, if after consultation with the local agency having jurisdiction pursuant to California Government Code sections 65591, et. seq., the General Manager determines that the retail water customer must comply with the local agency's ordinance requirements. If the General Manager determines that the retail water customer is not required to comply with the local agency's ordinance requirements, the retail water customer must comply with Section F of the San Francisco Public Utilities Commission Rules for Water Service Customers.
- d) The General Manager may waive some or all of the requirements of Section F if, after a site inspection, the General Manager determines that compliance is not feasible due to one or more of the following conditions.
 - i. Wet soil conditions stemming from proximity to naturally occurring water features such as a high water table, springs, ponds, lakes, creeks, and wetlands.
 - ii. Substantial health or safety related risk of injury or harm to property owner, users or workers.
 - iii. Disproportionately high costs for achieving minor or minimal water savings.
- e) A process for document submissions and approvals pursuant to Section F will be developed by the General Manager in conjunction with the Department of Building Inspection, with the purpose of administrative efficiency and effective customer service.

Section F

Rule 2.

Definitions

The terms used in this section have the following meanings.

- a) **Applied water:** the portion of water supplied by the irrigation system to the landscape.
- b) **Automatic irrigation controller:** an automatic timing device used to remotely control valves that operate an irrigation system. Automatic irrigation controllers schedule irrigation events using either evapotranspiration (weather-based) or soil moisture data.
- c) **Backflow prevention device:** a safety device used to prevent pollution or contamination of the water supply due to the reverse flow of water from the irrigation system.
- d) **Certificate of Landscape Completion:** the document required under Rule 13.
- e) **Certified irrigation designer:** a person certified to design irrigation systems by an accredited academic institution, a professional trade organization, or other program such as the US Environmental Protection Agency's Water Sense Partners irrigation designer certification program and the Irrigation Association's Certified Irrigation Designer program.
- f) **Certified landscape irrigation auditor:** a person certified to perform landscape irrigation audits by an accredited academic institution, a professional trade organization, or other program such as the US Environmental Protection Agency's WaterSense irrigation auditor certification program and the Irrigation Association's Certified Landscape Irrigation Auditor program.
- g) **Check valve or anti-drain valve:** a valve located under a bubbler and sprinkler head, or other location in the irrigation system, to hold water in the system to prevent low head drainage from sprinkler heads when the sprinkler is off.
- h) **Common interest developments:** community apartment projects, condominium projects, planned developments, and stock cooperatives per California Civil Code Section 1351.
- i) **Conversion factor of 0.62:** the number that converts acre-inches per year to gallons per square foot per year.
- j) **Drip irrigation:** any non-spray low volume irrigation system utilizing emission devices with a flow rate measured in gallons per hour.

Section F

- k) **Ecological restoration project:** a project where the site is intentionally altered to establish a defined, indigenous, historic ecosystem.
- l) **Emitter:** a drip irrigation emission device that delivers water slowly from the system to the soil.
- m) **Established landscape:** the point at which plants in the landscape have developed significant root growth into the soil. Typically, most plants are established after 1 or 2 years of growth while tree establishment is 3 to 5 years.
- n) **Estimated Total Water Use (ETWU):** the total water used for the landscape.
- o) **ET adjustment factor (ETAF):** a factor of 0.7, that, when applied to reference evapotranspiration, adjusts for plant factors and irrigation efficiency, two major influences upon the amount of water that needs to be applied to the landscape. A combined plant mix with a site-wide average of 0.5 is the basis of the plant factor portion of this calculation. For purposes of the ETAF, the average irrigation efficiency is 0.71. Therefore, the ET Adjustment Factor is $(0.7) = (0.5/0.71)$. ETAF for a Special Landscape Area shall not exceed 1.0. ETAF for existing non-rehabilitated landscapes is 0.8.
- p) **ET_o or reference evapotranspiration:** a standard measurement of environmental parameters which affect the water use of plants. E_{to} is expressed in inches per day, month, or year and is an estimate of the evapotranspiration of a large field of four- to seven-inch tall, cool-season grass that is well watered. Reference evapotranspiration is used as the basis of determining the Maximum Applied Water Allowance so that regional differences in climate can be accommodated.
- q) **Evapotranspiration rate:** the quantity of water evaporated from adjacent soil and other surfaces and transpired by plants during a specified time.
- r) **Existing landscape area:** a landscape area of any size that has not been rehabilitated or constructed within the previous 12 months.
- s) **First construction document:** the first building permit issued for a project or, in the case of a site permit, the first building permit addendum issued or other document that authorizes construction of the project. "First construction document" shall not include permits or addenda for demolition, grading, shoring, pile driving, or site preparation work.
- t) **Flow rate:** the rate at which water flows through pipes, valves, and emission devices, measured in gallons per minute, gallons per hour, or cubic feet per second.

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- u) **General Manager:** the General Manager of the Public Utilities Commission, or his or her designee.
- v) **Hardscape:** any durable material (pervious and non-pervious).
- w) **Hydrozone:** a portion of the landscaped area having plants with similar water needs. A hydrozone may be irrigated or non-irrigated.
- x) **Infiltration rate:** the rate of water entry into the soil expressed as a depth of water per unit of time (e.g., inches per hour).
- y) **Invasive plant species:** species of plants not historically found in California that spread outside cultivated areas and can damage environmental or economic resources. Invasive species may be regulated by county agricultural agencies as noxious species. "Noxious weeds" means any weed designated by the Weed Control Regulations in the Weed Control Act and identified on a Regional District noxious weed control list. Lists of invasive plants are maintained at the California Invasive Plant Inventory and USDA invasive and noxious weeds database.
- z) **Irrigation audit:** an in-depth evaluation of the performance of an irrigation system conducted by a Certified Landscape Irrigation Auditor. An irrigation audit includes, but is not limited to: inspection, system test with distribution uniformity or emission uniformity, precipitation rates, reporting deficiencies in the system, reporting overspray or runoff that causes overland flow, and preparation of an irrigation schedule. An irrigation audit may include suggested upgrades, current estimated water usage, and suggested system upgrades.
- aa) **Irrigation efficiency (IE):** the measurement of the amount of water beneficially used divided by the amount of water applied. Irrigation efficiency is derived from measurements and estimates of irrigation system characteristics and management practices. The minimum average irrigation efficiency for purposes of this ordinance is 0.71. Greater irrigation efficiency can be expected from well designed and maintained systems.
- bb) **Landscape Application:** the documents required under Rule 3 for Tier 1 compliance.
- cc) **Landscape architect:** a person who holds a license to practice landscape architecture in the state of California pursuant to California Business and Professions Code.

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- dd) **Landscape area:** all the planting areas, turf areas, and water features in a landscape design plan subject to the Maximum Applied Water Allowance calculation, including any adjacent planted areas in the public right-of-way for which the property owner is responsible pursuant to the Section 400.1 or Section 805 of the Public Works Code. The landscape area does not include footprints of buildings or structures unless the footprints include planted areas such as living roofs. The landscape area also does not include sidewalks, driveways, parking lots, decks, patios, gravel or stone walks, other pervious or non-pervious hardscapes, and other non-irrigated areas designated for non-development such as open spaces and existing native vegetation.
- ee) **Landscape contractor:** a person licensed by the State of California to construct, maintain, repair, install, or subcontract the development of landscape systems.
- ff) **Landscape Documentation Deadline:** the date by which Tier 1 or Tier 2 documentation must be submitted for approval by the General Manager. This date shall be not more than 100 days after the issuance of the first construction document, or as determined by the General Manager in consultation with the Director of Department of Building Inspection.
- gg) **Landscape Documentation Package:** the documents required under Rule 8 for Tier 2 compliance.
- hh) **Landscape rehabilitation project or rehabilitated landscape:** includes any modifications to landscape areas over a 12-month period at a site that cumulatively exceeds 1,000 square feet. A landscape rehabilitation project or rehabilitated landscape does not include turf replacements on sports fields where the turf replaced provides a playing surface, routine weeding, brush removal where no new plant materials are installed, seasonal plantings, and areas dedicated solely to edible plants. A rehabilitated landscape does not include landscape areas where only the irrigation system is retrofitted for the use of recycled water and only plantings that restore areas disturbed by the recycled water retrofits are installed. Recycled water irrigation retrofit projects shall employ best management practices to prevent runoff, ponding and overspray as directed in their recycled water use permit and comply with all applicable local and state regulation.
- ii) **Lateral line:** the water delivery pipeline that supplies water to the emitters or sprinklers from the valve.
- jj) **Low volume irrigation:** the application of irrigation water at low pressure through a system of tubing or lateral lines and low-volume emitters such as drip, drip lines, and bubblers. Low volume irrigation systems are specifically designed to apply small volumes of water slowly at or near the root zone of plant.

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- kk) **Low water use plants or climate appropriate plants:** plants, shrubs, groundcovers or tree species that meet at least one of the following conditions.
- i. The species has a water use ranking of "low" or "very low" in Region 1 (North-Central Coast) as established in the California Department of Water Resources 2000 publication "Water Use Classification of Landscape Species" or subsequent editions as it may be updated.
 - ii. The species has a water use ranking of "no water", "little water," or "little to moderate water" in the climate zone for the planting location as established in the Sunset Western Garden Book, Eighth Edition, published by Oxmoor House on February 1, 2007 or subsequent editions as it may be updated.
 - iii. The plantings are part of an engineered stormwater management feature approved by the General Manager pursuant to the San Francisco Stormwater Design Guidelines established by the Public Utilities Commission.
 - iv. The Department of Public Works, the Recreation and Park Department, or the General Manager has determined that the species, when watered for sufficient plant health and appearance, is low water use based on the agency's experience with the species, and the agency has added the species to the Low Water Use and Climate Appropriate Plant List maintained by the General Manager.
 - v. The species appears on the San Francisco Street Tree Species List established by the Department of Public Works Bureau of Urban Forestry.
 - vi. The planting is part of a species test approved by the Department of Public Works or the Recreation and Park Department.
 - vii. The species has been permitted at the site by the Department Public Works or the General Manager based on wet soil conditions stemming from proximity to naturally occurring water features such as a high water table, springs, ponds, lakes, creeks, and wetlands.
- ll) **Maximum Applied Water Allowance (MAWA):** the amount of annual applied water established by the San Francisco Public Utilities Commission for a landscaped area, using state mandated formulas and accounting for local climatic conditions, that serves as an upper limit for lawful water use for irrigating landscaped areas. The MAWA is based upon the area's reference evapotranspiration, the ET Adjustment Factor, and the size of the landscape area. The Estimated Total Water Use shall not exceed the Maximum Applied

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Water Allowance. Special Landscape Areas, including recreation areas, areas permanently and solely dedicated to edible plants such as fruit and nut trees and vegetable gardens, and areas irrigated with gray water or harvested rainwater, are subject to the MAWA with an ETAF not to exceed 1.0.

- mm) **Mulch or mulching product:** any organic material such as leaves, bark, straw, compost, or inorganic mineral materials such as rocks, gravel, and decomposed granite left loose and applied to the soil surface for the beneficial purposes of reducing evaporation, suppressing weeds, moderating soil temperature, and preventing soil erosion.
- nn) **New construction:** a new building or structure with a landscape, or other new landscape, such as a park, playground, median strip, or greenbelt without an associated building or structure.
- oo) **New construction landscape project:** the total area of landscape in the project as defined in "landscape area," and the modified landscape area for a landscape rehabilitation project.
- pp) **Operating pressure:** the pressure at which the parts of an irrigation system are designed by the manufacturer to operate.
- qq) **Overhead sprinkler irrigation systems:** systems that deliver water through the air (e.g., spray heads and rotors).
- rr) **Overspray:** the irrigation water which is delivered beyond the landscape area.
- ss) **Permit:** an authorizing document issued by the General Manager or Department of Building Inspection.
- tt) **Pervious:** any surface or material that allows the passage of water through the material and into the underlying soil.
- uu) **Plant factor or plant water use factor:** a factor that, when multiplied by ETo, estimates the amount of water needed by plants. The plant factor range for low water use plants is 0 to 0.3, the plant factor range for moderate water use plants is 0.4 to 0.6, and the plant factor range for high water use plants is 0.7 to 1.0. Plant factors for any plant shall be as established in the Department of Water Resources 2000 publication "Water Use Classification of Landscape Species" or subsequent additions. Plants used in the landscape project that are not found in WUCOLS shall use the plant factor of a similar species included on WUCOLS.
- vv) **Precipitation rate:** the rate of application of water measured in inches per hour.

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- ww) **Project applicant:** the person or entity applying for approval of a landscape project for a new construction project or a landscape rehabilitation project. A project applicant may be the property owner or his or her designee.
- xx) **Property owner:** the legal owner of a property.
- yy) **Rain sensor:** a rain sensing shutoff device that automatically suspends an irrigation event when it rains.
- zz) **Recreational area:** areas dedicated to active play such as parks, sports fields, and golf courses where turf provides a playing surface.
- aaa) **Recycled water, reclaimed water, gray water, or harvested rain water:** non-potable water suitable for uses such as landscape irrigation or water features. This water is not intended for human consumption.
- bbb) **Runoff:** water which is not absorbed by the soil or landscape to which it is applied and flows from the landscape area. For example, runoff may result from water that is applied at too great a rate (application rate exceeds infiltration rate) or when there is a slope.
- ccc) **Soil moisture sensor:** a device that measures the amount of water in the soil. The device may also suspend or initiate an irrigation event.
- ddd) **Soil texture:** the classification of soil based on its percentage of sand, silt, and clay.
- eee) **Special Landscape Area (SLA):** an area of the landscape dedicated solely to edible plants, areas irrigated all or in part with gray water or harvested rain water, water features using only harvested rain water, and areas dedicated to active play such as parks, sports fields, golf courses, and where turf provides a playing surface.
- fff) **Sprinkler head:** a device which delivers water through a nozzle.
- ggg) **Static water pressure:** the pipeline or municipal water supply pressure when water is not flowing.
- hhh) **Station:** an area served by one valve or by a set of valves that operate simultaneously.
- iii) **Swing joint:** an irrigation component that provides a flexible, leak-free connection between the emission device and lateral pipeline to allow movement in any direction and to prevent equipment damage.

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- jjj) **Turf:** a ground cover surface of mowed grass, including but not limited to Annual bluegrass, Kentucky bluegrass, Perennial ryegrass, Red fescue, Tall fescue, Bermudagrass, Kikuyugrass, Seashore Paspalum, St. Augustinegrass, Zoysiagrass, and Buffalo grass.
- kkk) **Valve:** a device used to control the flow of water in the irrigation system.
- lll) **Water feature:** a design element where open water performs an aesthetic or recreational function. Water features include artificial ponds, lakes, waterfalls, and streams, and fountains, spas, and swimming pools. The surface area of water features is included in the high water use hydrozone of the landscape area. Constructed wetlands used for on-site wastewater treatment or stormwater best management practices that are not irrigated and used solely for water treatment or stormwater retention are not water features and, therefore, are not subject to the water budget calculation.
- mmm) **WUCOLS:** the Water Use Classification of Landscape Species published by the University of California Cooperative Extension, the Department of Water Resources and the Bureau of Reclamation, 2000, or subsequent editions as it may be updated.

Rule 3.

Tier 1 -New Construction and Rehabilitation Landscape Projects

Beginning January 1, 2011, project applicants for all public agency, commercial, and residential new construction landscape projects and landscape rehabilitation projects, with a modified landscape area equal to or greater than 1,000 square feet and less than 2,500 square feet, shall comply with the following.

- a) Landscape irrigation shall not exceed the applicable Maximum Applied Water Allowance (MAWA) established in Rule 7.
- b) Any turf area, planned or installed, shall not exceed 25 percent of the landscape area. Landscape projects exceeding the 25 percent turf limit shall be considered a Tier 2 landscape project and must follow the requirements for Tier 2 as described in Rule 4.
- c) At least 75 percent of the landscape area shall consist of low water use plants or climate appropriate plants as defined in Rule 2. Landscape projects with less than 75 percent of the landscape area consisting of low water use plants or climate appropriate plants shall be considered a Tier 2 landscape project and must follow the requirements for Tier 2 as described in Rule 4.

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- d) Prior to commencing installation or modification of landscape that is not an edible plant, and prior to the issuance of the first construction document, if applicable, the project applicant shall:
 - i. Submit and have approved by the General Manager a Tier 1 Landscape Application including:
 - A. Tier 1 landscape project checklist, which serves as a preliminary summation of selected landscape components to determine whether a proposed landscape is consistent with the applicable MAWA established in Rule 7; and
 - B. List of plants, trees, shrubs, or other vegetation that are to remain or be installed in the landscape area.
 - ii. For landscape projects installed as part of the construction or renovation of a building, the Tier 1 Landscape Application shall be submitted prior to the Landscape Documentation Deadline; and
 - iii. In the case of project applicants or property owners that are not required to obtain permits and approvals from the City's Department of Building Inspection, a Tier 1 Landscape Application shall be submitted to and approved by the General Manager prior to commencing installation or modification of landscape.
- e) Following the installation of the landscape and any irrigation system, the project applicant shall submit a Certificate of Landscape Completion which certifies that the installed landscape and/or irrigation area does not consume water at a rate that exceeds the applicable MAWA established in Rule 7.
- f) Landscape areas that are part of a compliance plan pursuant to Rule 5 shall be required to provide Tier 1 compliance documents as set forth in the provisions of the compliance plan.
- g) If complete documentation for Tier 1 compliance has not been submitted to the General Manager on or before the Landscape Documentation Deadline, the General Manager shall request to the Director of Department of Building Inspection that an address restriction shall be placed on the property such that no further construction permits or addenda shall be issued and no further inspections by the Department of Building Inspection shall occur, unless and until all landscape documentation, developed in accordance with the provisions of this chapter and the Public Utilities Commission's rules and regulations has been submitted to the General Manager for approval.

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Rule 4.

Tier 2 - New Construction and Rehabilitation Landscape Projects

Beginning January 1, 2011, the project applicant for all public agency, commercial, and residential new construction landscape projects and landscape rehabilitation projects, with a modified landscape area equal to or greater than 2,500 square feet, or a project under Tier 1 with a turf limitation exceeding 25 percent of the landscape area or with less than 75 percent of the landscape area consisting of low water use plants or climate appropriate plants, shall comply with the following.

- a) Prior to commencing installation or modification of landscape, the project applicant shall submit and have approved by the General Manager, a Landscape Documentation Package consistent with the Water Efficient Design and Operation Elements in Rule 6.
- b) For landscape projects installed as part of the construction or renovation of a building, the Tier 2 Landscape Documentation Package shall be submitted prior to the Landscape Documentation Deadline.
- c) In the case of project applicants or property owners that are not required to obtain permits and approvals from the City's Department of Building Inspection, a Tier 2 Landscape Documentation Package shall be submitted to and approved by the General Manager prior to commencing installation or modification of landscape.
- d) Submit and have approved by the General Manager, prior to the submittal date of a first certificate of occupancy or prior to sign off on a landscape project authorization, the Landscape Documentation Package and a Certificate of Landscape Completion. The General Manager may authorize issuance of a first certificate of occupancy prior to approval of a Certificate of Landscape Completion, subject to conditions determined by the General Manager.
- e) Landscape areas that are part of a compliance plan pursuant to Rule 5 shall be required to provide Tier 2 compliance documents as set forth in the provisions of the compliance plan.
- f) If complete documentation for Tier 2 compliance has not been submitted to the General Manager on or before the Landscape Documentation Deadline, the General Manager shall request to the Director of Department of Building Inspection that an address restriction shall be placed on the property such that no further construction permits or addenda shall be issued and no further inspections by the Department of Building Inspection shall occur, unless and until all landscape documentation, developed in accordance with the provisions of this chapter and the Public Utilities Commission's rules and

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regulations has been submitted to the General Manager for approval.

Rule 5.

Compliance Plans for Large Irrigated Landscapes

Property owners maintaining a total irrigated landscape of 10 acres or greater may submit compliance plans for approval by the General Manager that support a programmatic approach to compliance with Section F, rather than through the review and approval of individual landscape rehabilitation projects.

- a) The General Manager shall establish a deadline for each property owner to develop and submit a compliance plan, which shall not exceed 3 years following the date of the property owner's initial request for review and approval of a compliance plan.
- b) The property owner shall comply with all the terms of the approved compliance plan. The property owner's failure to comply with provisions of the compliance plan is a violation of Section F and subject to enforcement under the provisions of these rules or any other remedy available to the General Manager.
- c) The compliance plan shall prioritize the phased implementation of landscape projects, beginning with the projects with the greatest water savings, to the extent feasible when balanced with other project objectives.
- d) The compliance plan, if authorized by the General Manager, supersedes the process and procedures set forth in Rules 3 and 4.
- e) The compliance plan shall ensure compliance with the requirements of Rule 6 and shall include a date or dates by which the components of the compliance plan shall be completed.

Rule 6.

Water Efficient Design and Operation Elements

The elements of a landscape shall be designed to achieve water efficiency. Tier 1 projects with a landscape area greater than 1,000 square feet but less than 2,500 square feet shall demonstrate water efficiency and compliance with this rule by providing appropriate responses to specific checklist items and certification pursuant to Rule 3.

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Tier 2 projects with a landscape area greater than 2,500 square feet require a complete Landscape Documentation Package and shall comply with all applicable criteria of this rule.

a) Plant Material

- i. Plants shall be chosen and arranged appropriately based upon the site's climate, soil characteristics, sun exposure, wildfire susceptibility and other factors. Plants with similar water needs shall be grouped within hydrozones.
- ii. Turf is not allowed on slopes greater than 25 percent.
- iii. Turf areas shall not be less than eight feet wide.
- iv. The turf grass limitation excludes parklands or public recreation areas, sports fields, golf courses, cemeteries, or public areas, and areas irrigated with gray water or harvested rain water.
- v. The use of invasive plant species or noxious weeds is prohibited.
- vi. The use of local California native plant species is encouraged in order to reduce water use and promote wildlife habitat.
- vii. The architectural guidelines of a common interest development, which include community apartment projects, condominiums, planned developments, and stock cooperatives, shall not prohibit or include conditions that have the effect of prohibiting the use of low-water use plants as a group.

b) Irrigation System

- i. Dedicated landscape water meters are required on landscape areas greater than 5,000 square feet to facilitate water management.
- ii. Automatic irrigation controllers utilizing either evapotranspiration or soil moisture sensor data shall be required.
- iii. Rain sensors either integral or auxiliary, which suspend or alter irrigation operation during unfavorable weather conditions, shall be required on all irrigation systems.
- iv. The irrigation hardware for each hydrozone shall include a separate valve.

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- v. The irrigation systems shall be designed to prevent runoff, low head drainage, overspray and other similar conditions.
 - vi. Low volume irrigation shall be required in mulched areas, in areas with slope greater than 25 percent, within 24 inches of a non-permeable surface or in any irregularly shaped areas that are less than eight (8) feet in width. These restrictions do not apply if:
 - A. The landscape area is adjacent to permeable surfacing and no runoff occurs;
 - or
 - B. The adjacent non-permeable surfaces are designed and constructed to drain entirely to landscaping.
 - vii. Irrigation systems shall be designed, maintained, and managed to meet or exceed an average landscape irrigation efficiency of 70 percent.
- c) Hydrozones
- i. Each valve shall irrigate only hydrozones with similar plant factors or site conditions such as: slope, sun exposure, and soil conditions.
 - ii. Sprinkler heads and other emission devices shall be selected based on what is appropriate for the plant type within that hydrozone.
 - iii. Where feasible, trees shall be placed on separate valves from shrubs, groundcovers, and turf.
 - iv. Individual hydrozones that mix plants of moderate and low water use shall use the higher water using plant factor. High water use plants shall not be mixed with low or moderate water use plants.
 - v. On the landscape design plan and irrigation design plan, hydrozone areas shall be designated by number, letter, or other designation. On the irrigation design plan, designate the areas irrigated by each valve, and assign a number to each valve.
- d) Mulch and Amendments
- i. A minimum two-inch (21) layer of mulch shall be applied on all exposed soil surfaces of planting areas except in direct seeding applications (i.e. hydro-seed).

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- ii. Stabilizing mulching products shall be used on slopes.
- iii. Soil amendments shall be incorporated according to recommendations of the soil report and what is appropriate for the plants selected.

e) Water Features

- i. Recirculating water systems shall be used for water features.
- ii. Where available, recycled water or harvested rain water shall be used as a source for decorative water features.
- iii. Surface area of a water feature shall be included in the high water use hydrozone area of the water budget calculation.

f) Irrigation Scheduling

Irrigation schedules shall be developed, managed, and evaluated to utilize the minimum amount of water required to maintain plant health. Irrigation schedules shall meet the following criteria.

- i. Irrigation scheduling shall be regulated by automatic irrigation controllers.
- ii. Overhead irrigation shall be scheduled between 8:00 p.m. and 10:00 a.m. unless weather conditions prevent it.
- iii. Irrigation schedules for each station shall consider:
 - A. Irrigation interval (days between irrigation);
 - B. Irrigation run times (time period per irrigation event to avoid runoff);
 - C. Number of cycle starts required for each irrigation event to avoid runoff;
 - D. Application rate setting;
 - E. Plant type setting;
 - F. Soil type; and
 - G. Slope factor setting.

g) Landscape and Irrigation Maintenance Schedule

Landscapes shall be maintained to ensure water use efficiency. A regular maintenance schedule shall be submitted with the Certificate of Landscape Completion and shall include the following.

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- i. Routine inspection; adjustment and repair of the irrigation system and its components; aerating and de-thatching turf areas; replenishing mulch; fertilizing; pruning; weeding in all landscape areas; replacement of failed plants with same or equivalent plants; and removing obstruction to emission devices.
 - ii. Repair of all irrigation equipment shall be done with the originally installed components or their equivalents.
- h) Irrigation Audits

Landscape and irrigation assessments for new or rehabilitated landscapes shall be conducted after the landscaping and irrigation system have been installed. The findings of the assessment shall be consolidated into the Certificate of Completion submittal and may include, but are not limited to inspection, system tune-up, system test with distribution uniformity, reporting overspray or runoff that causes overland flow, and preparation of an irrigation schedule.

- i. For Tier 1 projects, the audit shall be conducted by the project applicant, a designated PUC water service inspector, or by a certified landscape irrigation auditor.
- ii. For Tier 2 projects, the irrigation audit shall be conducted by a PUC water service inspector or by a certified landscape irrigation auditor.
- iii. The General Manager shall administer programs that may include, but not be limited to, irrigation water use analysis, irrigation audits, and irrigation surveys for compliance with the Maximum Applied Water Allowance.

Rule 7.

Maximum Applied Water Allowance (MAWA)

The operation of irrigation systems in new construction landscapes and landscape rehabilitation projects subject to Rules 3, 4, and 5 shall adhere to a Maximum Applied Water Allowance which shall be the upper limit of water that may be lawfully applied through the irrigation system. The MAWA for an irrigation system installed for a new construction landscape or landscape rehabilitation project shall be calculated using the following equation.

$$\text{MAWA} = (35.1) (0.62) [(0.7 \times \text{LA}) + (0.3 \times \text{SLA})]$$

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Where:	MAWA = Maximum Applied Water Allowance (gallons per year)
35.1	= ETo or Reference Evapotranspiration for San Francisco (inches per year)
0.62	= Conversion Factor (to gallons)
0.7	= ET Adjustment Factor (ETAF)
LA	= Landscape Area including SLA (square feet)
0.3	= Additional Water Allowance for SLA
SLA	= Special Landscape Area (square feet)

**Rule 8.
Landscape Documentation Package**

Tier 2 projects applications shall include at a minimum:

- a) Project information sheet;
- b) Water Efficient Landscape Worksheets which establish the project's MAWA and ETWU;
- c) Soil management report;
- d) Landscape design plan;
- e) Irrigation design plan; and
- f) Grading design plan.

**Rule 9.
Soil Management Report**

- a) In order to reduce runoff and encourage healthy plant growth, a soil management report shall be completed by all Tier 2 project applicants where significant mass grading is planned. The soil management report or other documentation approved by the General Manager, shall document the various soil characteristics such as:
 - i. Soil texture;
 - ii. Infiltration rate determined by laboratory test or soil texture infiltration rate table;
 - iii. pH;
 - iv. Total soluble salts;

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- v. Sodium;
- vi. Percent organic matter; and
- vii. Recommendations.

b) The project applicant shall comply with one of the following:

- i. If significant mass grading is not planned, the soil analysis shall be submitted as part of the Landscape Documentation Package; or
- ii. If significant mass grading is planned, the soil analysis report shall be submitted as part of the Certificate of Landscape Completion.

The soil analysis report shall be made available, in a timely manner, to the designers preparing the landscape design plans and irrigation design plans to make any necessary adjustments to the design plans.

The project applicant shall submit documentation verifying implementation of soil analysis report recommendations to the General Manager with the Certificate of Landscape Completion.

**Rule 10.
Landscape Design Plan**

Tier 2 landscapes shall be carefully designed for the intended function of the project. A landscape design plan shall meet the following design criteria and shall be submitted as part of the Landscape Documentation Package. The landscape design plan, at a minimum, shall:

- a) Include all applicable elements of Rule 6: Water Efficient Landscape Design and Operation Elements;
- b) Identify all plants to be installed as part of the landscape project including: common name, botanical name, quantity, type (e.g. grass, succulent, vine, shrub, and tree), and plant factor as defined in Rule 2;
- c) Delineate and label each hydrozone by number, letter, or other method;
- d) Identify each hydrozone as low, moderate, high water, or mixed (low/moderate) water use, as defined by WUCOLS;
- e) Include temporarily irrigated areas of the landscape in a low water use hydrozone for the purpose of water budget calculation;

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- f) Identify recreational areas;
- g) Identify areas permanently and solely dedicated to edible plants or edible fruit or nut trees;
- h) Identify areas irrigated with gray water or harvested rain water;
- i) Identify type of mulch and application depth;
- j) Identify soil amendments, type, and quantity;
- k) Identify type and surface area of water features;
- l) Identify hardscapes (pervious and non-pervious);
- m) Identify location and installation details of any applicable stormwater best management practices that demonstrate compliance with the San Francisco Stormwater Design Guidelines for on-site retention and infiltration of stormwater. Examples include, but are not limited to: rain gardens, bioretention areas, infiltration basins, constructed wetlands, pervious pavements, and rain water harvesting systems;
- n) Contain the following statement: "I have complied with the requirements of the Water Efficient Irrigation Ordinance and Section F of the San Francisco Public Utilities Commission Rules and Regulations Governing Water Service Customers, and I have applied the requirements for the efficient use of water in this landscape design plan;" and
- o) Bear the signature of a licensed landscape architect, licensed landscape contractor, or other person authorized by the General Manager.

**Rule 11.
Irrigation Design Plan**

Irrigation systems shall meet all the requirements listed in this section and the manufacturers' recommendations. The irrigation system and its related components shall be planned and designed to allow for proper installation, management, and maintenance. An irrigation design plan meeting the following design criteria shall be submitted as part of the Landscape Documentation Package. The irrigation design plan, at a minimum, shall contain:

- a) Include all applicable elements of Rule 6: Water Efficient Landscape Design and Operation Elements;

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- b) Location and size of separate water meters for landscape (if applicable);
- c) Location, type and size of all components of the irrigation system, including controllers, main and lateral lines, valves, sprinkler heads, moisture sensing devices, rain switches, quick couplers, pressure regulators, and backflow prevention devices;
- d) Static water pressure at the point of connection to the public water supply. If a booster pump is used, include the operating pressure downstream from the pump;
- e) Flow rate (gallons per minute), application rate (inches per hour), and design operating pressure (pressure per square inch) for each station;
- f) Indication of where any recycled water, gray water, or harvested rain water irrigation systems are used;
- g) The following statement: "I have complied with the requirements of the Water Efficient Irrigation Ordinance and Section F of the San Francisco Public Utilities Commission Rules and Regulations Governing Water Service Customers, and I have applied the requirements for the efficient use of water in this landscape design plan;" and
- h) The signature of a licensed landscape architect, certified irrigation designer, licensed landscape contractor, or other person authorized by the General Manager to design an irrigation system.

**Rule 12.
Grading Design Plan**

If the Tier 2 landscape project area will be graded, the grading shall be designed to minimize soil erosion, runoff, and water waste; and a grading plan shall be submitted as part of the Landscape Documentation Package.

The project applicant shall submit a landscape grading plan that indicates finished configurations and elevations of the landscape area including:

- a) Height of graded slopes;
- b) Drainage patterns;
- c) Pad elevations;

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- d) Finish grade; and
- e) Stormwater retention improvements, if applicable.

The grading design plan shall contain the following statement: "I have complied with the requirements of the Water Efficient Irrigation Ordinance and Section F of the San Francisco Public Utilities Commission Rules and Regulations Governing Water Service Customers, and I have applied the requirements for the efficient use of water in this landscape design plan;" and shall bear the signature of a licensed civil engineer or landscape architect as authorized by law.

Rule 13.

Certificate of Landscape Completion

For all Tier 1 and Tier 2 projects, the project applicant shall submit to the General Manager the Certificate of Landscape Completion. The Certificate of Landscape Completion shall include the following elements.

- a) For Tier 1, certification by the project applicant that the landscape project has been installed per the approved Tier 1 Landscape Application. For Tier 2, certification by the signer of the landscape design plan, the signer of the irrigation design plan, or the licensed landscape contractor that landscape project has been installed per the Landscape Documentation Package.
- b) Irrigation scheduling parameters used to set the controller.
- c) Landscape and irrigation maintenance schedule.
- d) For Tier 2, irrigation audit report.

Rule 14:

Irrigation Audits for Landscape Areas

The General Manager may require irrigation audits to evaluate water use on landscape areas. Such audits may be initiated as a coordinated effort between the General Manager and the water service customer as part of the General Manager's Landscape Conservation Program, or if violation is reported to or discovered by the General Manager. When such audit is required, it must be completed by a certified landscape irrigation auditor.

- a) Following the findings and recommendations of the certified landscape irrigation auditor, the General Manager may require adjustments to the irrigation usage, irrigation hardware, and/or landscape materials to reduce irrigation water use.

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- b) The landscape shall comply with the Maximum Applied Water Allowance for landscapes. The ET Adjustment Factor for existing landscapes is 0.8 and the ET Adjustment Factor for new construction landscapes and rehabilitated landscapes is 0.7.

- c) The MAWA for an irrigation system for an existing landscape area of any size shall be calculated using the following equation.
$$\text{MAWA} = (35.1) (0.62) [(0.8 \times \text{LA}) + (0.2 \times \text{SLA})]$$

Where: MAWA = Maximum Applied Water Allowance (gallons per year)
35.1 = ETo or Reference Evapotranspiration (inches per year)
0.62 = Conversion Factor (to gallons)
0.8 = ET Adjustment Factor (ETAF)
LA = Landscape Area including SLA (square feet)
0.2 = Additional Water Allowance for SLA
SLA = Special Landscape Area (square feet)

- d) The MAWA for an irrigation system for a new construction landscape or rehabilitated landscape shall be as defined in Rule 7.

Rule 15.

Recycled Water, Gray Water, Harvested Rain Water

- a) For purposes of Section F, a rehabilitated landscape does not include landscape areas where only the irrigation system is retrofitted for the use of recycled water and only plantings that restore areas disturbed by the recycled water retrofits are installed. Recycled water irrigation retrofit projects shall employ best management practices to prevent runoff, ponding and overspray as directed in their recycled water use permit and comply with all applicable local and state regulation. The installation of recycled water irrigation systems shall be required if the General Manager finds that recycled water meeting all applicable requirements is available for irrigation uses.

- b) The San Francisco Public Utilities Commission encourages the installation of gray water or harvested rain water irrigation systems for current and future use. New, rehabilitated and existing landscapes using gray water and harvested rain water shall be considered Special Landscape Areas. An ET Adjustment Factor for the total landscape shall not exceed 1.0. Existing Special Landscape Areas shall be allowed more water by using an ET Adjustment Factor of 0.8 and additional water allowance of 0.2 or 20%. New or rehabilitated Special Landscape Areas shall be allowed more water by using an ET Adjustment Factor of 0.7 and additional water allowance of 0.3 or 30%

Section F

- c) Landscapes using gray water and harvested rain water are exempt from the turf limitations subject to Rule 6, but shall comply with the Maximum Applied Water Allowance of the landscape.
 - d) Irrigation systems and decorative water features shall use recycled water if the General Manager finds that recycled water meeting all public health codes and standards is available and will be available for the foreseeable future. Use of gray water in irrigation systems and use of harvested rain water in irrigation systems and decorative water features, are strongly encouraged.
-
- e) All recycled water, gray water and harvested rain water systems shall be designed and operated in accordance with all applicable local and State laws.

Rule 16.

Water Waste Prevention

- a) For landscaped areas of any size in the City and County of San Francisco, water runoff leaving the landscape area due to low head drainage, overspray, broken irrigation hardware, or other similar conditions where water flows onto adjacent property, walks, roadways, parking lots, structures, or non-irrigated areas, is prohibited.
- b) In the event this rule or any other rule is violated, the General Manager may issue a written warning, entered on the user's water service record and delivered to customer via mail, personal service, or other reasonable means. The letter will include information regarding the violation, education information on the restrictions, resources available from the General Manager to assist in complying with regulations, and a deadline for correcting the violation.
- c) If the violations are not corrected to the satisfaction of the General Manager, the property owner, and project applicant where appropriate, shall be subject to enforcement in accordance with San Francisco Public Utilities Commission rules for limitation or termination of service, Chapter 100 of the San Francisco Administrative Code with respect to administrative penalties, and any other available legal remedies, at the sole discretion of the General Manager.

APPENDIX - SAMPLE CALCULATIONS OF MAWA AND ETWU

Maximum Applied Water Allowance: The example calculations below are hypothetical to demonstrate proper use of the Maximum Applied Water Allowance equation pursuant to Rule 7 and required water budget calculations.

Section F

Example 1: A hypothetical landscape rehabilitation project in San Francisco, with a modified landscape area of 2,500 square feet without any Special Landscape Area (SLA= 0, no edible plants, recreational areas, or use of gray water, or harvested rain water). To calculate MAWA, the annual reference evapotranspiration value for San Francisco is 35.1 inches.

$$MAWA = (35.1) (0.62) [(0.7 \times LA) + (0.3 \times SLA)]$$

$$MAWA = (35.1) (0.62) [(0.7 \times 2,500 \text{ square feet}) + (0.3 \times 0)] = 38,084 \text{ gallons per year}$$

To convert from gallons per year to gallons per day: $38,084/365 = 104$ gallons per day

Water meters measure flow in hundred-cubic-feet (CCF):

1 CCF = 748 gallons so in this example the MAWA is 51 CCF per year

Example 2: A new construction project to build a school in San Francisco has a total landscape area of 100,000 square feet. Within the 100,000 square foot project, there is a 75,000 square foot area to be planted with turf for a soccer field. This 75,000 square foot area is considered to be a Special Landscape Area.

$$MAWA = (35.1) (0.62) [(0.7 \times LA) + (0.3 \times SLA)]$$

$$MAWA = (35.1) (0.62) [(0.7 \times 100,000 \text{ square feet}) + (0.3 \times 75,000 \text{ square feet})]$$

$$= 21.76 \times [70,000 + 22,500]$$

$$= 21.76 \times 92,500$$

$$= 2,012,800 \text{ gallons per year or } 5,515 \text{ gallons per day or } 2,691 \text{ CCF per year}$$

Estimated Total Water Use: The example calculations below are hypothetical to demonstrate proper use of the Estimated Total Water Use. The sum of the Estimated Total Water Use calculated for all hydrozones shall not exceed the MAWA.

$$ETWU = (35.1)(0.62) \left(\frac{PF \times HA}{IE} + SLA \right)$$

Where:

ETWU = Estimated Total Water Use per year (gallons)

35.1 = ETo or Reference Evapotranspiration (inches per year)

0.62 = Conversion Factor

PF = Plant Factor from WUCOLS

HA = Hydrozone Area [high, medium, and low water use areas (square feet)]

(PFxHA) = The sum of the Plant Factor multiplied by the Hydrozone Area for all hydrozones

IE = Irrigation Efficiency (minimum 0.71)

SLA = Special Landscape Area (square feet)

Section F

Example 1: A new construction landscape area is 50,000 square feet; plant water use type, plant factor, and hydrozone area are shown in the table below. In San Francisco the ETo value is 35.1 inches per year. There are no Special Landscape Areas (recreational area, area permanently and solely dedicated to edible plants, or area irrigated with gray water or harvested rain water) in this example.

Hydrozone	Plant Water Use Type(s)	Plant Factor (PF)*	Hydrozone Area (HA) (square feet)	PF x HA (square feet)
1	High	0.8	7,000	5,600
2	High	0.7	10,000	7,000
3	Medium	0.5	16,000	8,000
4	Low	0.3	7,000	2,100
5	Low	0.2	10,000	2,000
Sum				24,700

*Plant Factor from WUCOLS

$$ETWU = 35.1 \times 0.62 \times \left(\frac{24,700}{0.71} + 0 \right) = 757,072 \text{ gallons per year}$$

Compare ETWU with MAWA for this example:

MAWA = (35.1) (0.62) [(0.7 x 50,000) + (0.3 x 0)] = 761,775 gallons per year. ETWU (757,072 gallons per year) is less than MAWA (761,775 gallons per year). In this example, the water budget complies with the MAWA.

Example 2: ETWU calculation: total landscape area is 50,000 square feet, 2,000 square feet of which is planted with edible plants. The edible plant area is considered a Special Landscape Area (SLA). In San Francisco, the reference evapotranspiration value is 35.1 inches per year. The plant type, plant factor, and hydrozone area are shown in the table below.

Hydrozone	Plant Water Use Type(s)	Plant Factor (PF)*	Hydrozone Area (HA) (square feet)	PF x HA (square feet)
1	High	0.8	7,000	5,600
2	High	0.7	9,000	6,300
3	Medium	0.5	15,000	7,500
4	Low	0.3	7,000	2,100
5	Low	0.2	10,000	2,000
Sum				23,500
6	SLA	1.0	2,000	2,000

*Plant Factor from WUCOLS

$$ETWU = 35.1 \times 0.62 \times \left(\frac{23,500}{0.71} + 2,000 \right)$$

$$= (21.76) (33,099 + 2,000)$$

$$= 763,754 \text{ gallons per year}$$

Compare ETWU with MAWA. For this example:

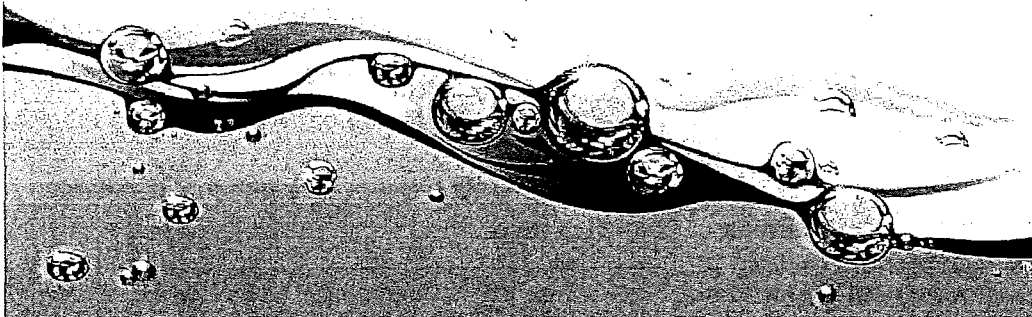
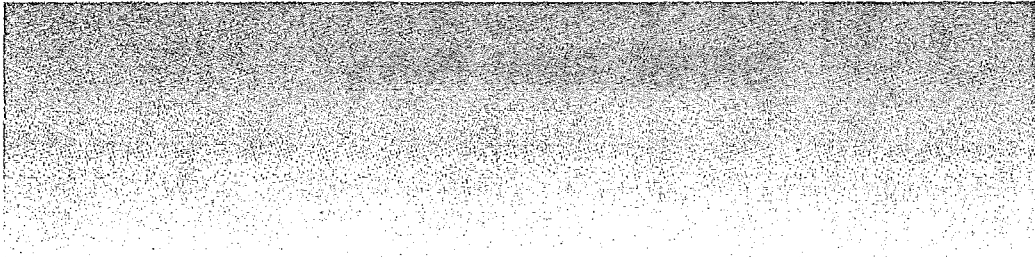
$$MAWA = (35.1) (0.62) [(0.7 \times 50,000) + (0.3 \times 2,000)]$$

$$= 21.76 \times [35,000 + 600]$$

$$= 21.76 \times 35,600$$

$$= 774,656 \text{ gallons per year}$$

Notes:





SFPUC Rates Policy

The San Francisco Public Utilities Commission (SFPUC) is an enterprise department of the City and County of San Francisco. Our department receives no support from the San Francisco General Fund. Our cost of providing utility service is covered by ratepaying customers through:

- service based rates;
- fees and charges; and
- non-operating revenues (i.e. land leases)

Rates are set by the SFPUC Commission (Commission) pursuant to the authority and provisions set forth by the San Francisco Charter (Section 8B.125) and the Water Supply Agreement with our wholesale water customers.

All budgets, rates, fees, and charges presented by SFPUC staff to the Commission will conform to the SFPUC Rates Policy. Any deviations from this policy will be reported to the Commission along with their impact to ratepayers and departmental operations.

The four key principles of the SFPUC Rates Policy are:

1. **Affordability**
2. **Compliance**
3. **Sufficiency**
4. **Transparency**

1. Affordability – In order to keep rates affordable to the SFPUC's retail and wholesale customers:

- Rates will be set such that retail and wholesale customers pay for benefits and services that they receive;
- Budgets will provide for fund balance reserves to mitigate cost and revenue uncertainties and stabilize rates to minimize large rate changes;
- Rate setting will include comparative information of neighboring and other California utilities;
- Capital and program decision making will be based on both annual and total life-cycle costs;
- Rate setting will include consideration of affordability for low-income customers.

2. Compliance – Rate-funded budgets will comply with:

- All applicable State and Federal laws;
- San Francisco Charter, ordinances, resolutions and other policy directives;
- Regulations and permits;
- Contract commitments;
- Bond covenants; and



**San Francisco
Public Utilities Commission
FINANCIAL SERVICES
525 Golden Gate Ave
San Francisco, CA 94102**



- Other laws as well as Commission policies and objectives including, but not limited to:
 - Budget Law and Policies
 - Debt Law and Policies
 - Ratepayer Accountability
 - Community Benefits Policy
 - Environmental Justice Policy
 - Sustainability and Resource Conservation
 - Land Use Policy
 - Local Hire Ordinance
 - Electric Resource Plan
 - Technology Adoption & Implementation Best Practices
 - Asset Management Best Practices

3. Sufficiency - Rates will be sufficient to recover the full cost of providing the SFPUC's essential utility services and mission, including:

- Adopted levels of service for Water, Power and Sewer;
- Adopted and best practice levels of service for asset Repair and Replacement to ensure the maintenance of assets in a state of good repair;
- All anticipated operating and capital costs, including personnel costs changes and other operating cost inflation; and
- Funding to carry out adopted Commission policies, including prudent reserves sufficient to mitigate unplanned rate changes, revenue uncertainty and operating contingencies for the duration of the rate adoption period.

4. Transparency – Rate making will be transparent and include:

- Open and timely public meetings and review of rate setting alternatives and timing;
- Public information designed to provide clear explanation of rate changes and trends, including average bill impact illustrations;
- A description of both operating and capital costs to ensure that ratepayers know the component costs of their utility service and related programs;
- Rate-setting Oversight, including communications with the:
 - Customers, Retail and Wholesale,
 - Citizens' Advisory Committee,
 - Rate Fairness Board,
 - Revenue Bond Oversight Committee,
 - San Francisco Public Utilities Commission,
 - Board of Supervisors,
 - Mayor's Office.

FAR 52.212-4 Contract Terms and Conditions – Commercial Items (May 2014)

(a) *Inspection/Acceptance.* The Contractor shall only tender for acceptance those items that conform to the requirements of this contract. The Government reserves the right to inspect or test any supplies or services that have been tendered for acceptance. The Government may require repair or replacement of nonconforming supplies or reperformance of nonconforming services at no increase in contract price. If repair/replacement or reperformance will not correct the defects or is not possible, the government may seek an equitable price reduction or adequate consideration for acceptance of nonconforming supplies or services. The Government must exercise its post-acceptance rights --

(1) Within a reasonable time after the defect was discovered or should have been discovered; and

(2) Before any substantial change occurs in the condition of the item, unless the change is due to the defect in the item.

(b) *Assignment.* The Contractor or its assignee may assign its rights to receive payment due as a result of performance of this contract to a bank, trust company, or other financing institution, including any Federal lending agency in accordance with the Assignment of Claims Act (31 U.S.C.3727). However, when a third party makes payment (e.g., use of the Government-wide commercial purchase card), the Contractor may not assign its rights to receive payment under this contract.

(c) *Changes.* Changes in the terms and conditions of this contract may be made only by written agreement of the parties.

(d) *Disputes.* This contract is subject to 41 U.S.C. Chapter 71, Contract Disputes. Failure of the parties to this contract to reach agreement on any request for equitable adjustment, claim, appeal or action arising under or relating to this contract shall be a dispute to be resolved in accordance with the clause at FAR 52.233-1, Disputes, which is incorporated herein by reference. The Contractor shall proceed diligently with performance of this contract, pending final resolution of any dispute arising under the contract.

(e) *Definitions.* The clause at FAR 52.202-1, Definitions, is incorporated herein by reference.

(f) *Excusable delays.* The Contractor shall be liable for default unless nonperformance is caused by an occurrence beyond the reasonable control of the Contractor and without its fault or negligence such as, acts of God or the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, unusually severe weather, and delays of common carriers. The Contractor shall notify the Contracting Officer in writing as soon as it is reasonably possible after the commencement of any excusable delay, setting forth the full particulars in connection therewith, shall remedy such

occurrence with all reasonable dispatch, and shall promptly give written notice to the Contracting Officer of the cessation of such occurrence.

(g) *Invoice.*

(1) The Contractor shall submit an original invoice and three copies (or electronic invoice, if authorized) to the address designated in the contract to receive invoices. An invoice must include --

(i) Name and address of the Contractor;

(ii) Invoice date and number;

(iii) Contract number, contract line item number and, if applicable, the order number;

(iv) Description, quantity, unit of measure, unit price and extended price of the items delivered;

(v) Shipping number and date of shipment, including the bill of lading number and weight of shipment if shipped on Government bill of lading;

(vi) Terms of any discount for prompt payment offered;

(vii) Name and address of official to whom payment is to be sent;

(viii) Name, title, and phone number of person to notify in event of defective invoice; and

(ix) Taxpayer Identification Number (TIN). The Contractor shall include its TIN on the invoice only if required elsewhere in this contract.

(x) Electronic funds transfer (EFT) banking information.

(A) The Contractor shall include EFT banking information on the invoice only if required elsewhere in this contract.

(B) If EFT banking information is not required to be on the invoice, in order for the invoice to be a proper invoice, the Contractor shall have submitted correct EFT banking information in accordance with the applicable solicitation provision, contract clause (*e.g.*, 52.232-33, Payment by Electronic Funds Transfer— System for Award Management, or 52.232-34, Payment by Electronic Funds Transfer—Other Than System for Award Management), or applicable agency procedures.

(C) EFT banking information is not required if the Government waived the requirement to pay by EFT.

(2) Invoices will be handled in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) prompt payment regulations at 5 CFR part 1315.

(h) *Patent indemnity.* The Contractor shall indemnify the Government and its officers, employees and agents against liability, including costs, for actual or alleged direct or contributory infringement of, or inducement to infringe, any United States or foreign patent, trademark or copyright, arising out of the performance of this contract, provided the Contractor is reasonably notified of such claims and proceedings.

(i) Payment.

(1) Items accepted. Payment shall be made for items accepted by the Government that have been delivered to the delivery destinations set forth in this contract.

(2) Prompt Payment. The Government will make payment in accordance with the Prompt Payment Act (31 U.S.C. 3903) and prompt payment regulations at 5 CFR Part 1315.

(3) Electronic Funds Transfer (EFT). If the Government makes payment by EFT, see 52.212-5(b) for the appropriate EFT clause.

(4) *Discount.* In connection with any discount offered for early payment, time shall be computed from the date of the invoice. For the purpose of computing the discount earned, payment shall be considered to have been made on the date which appears on the payment check or the specified payment date if an electronic funds transfer payment is made.

(5) *Overpayments.* If the Contractor becomes aware of a duplicate contract financing or invoice payment or that the Government has otherwise overpaid on a contract financing or invoice payment, the Contractor shall—

(i) Remit the overpayment amount to the payment office cited in the contract along with a description of the overpayment including the—

(A) Circumstances of the overpayment (*e.g.*, duplicate payment, erroneous payment, liquidation errors, date(s) of overpayment);

(B) Affected contract number and delivery order number, if applicable;

(C) Affected contract line item or sub-line item, if applicable; and

(D) Contractor point of contact.

(ii) Provide a copy of the remittance and supporting documentation to the Contracting Officer.

(6) Interest.

(i) All amounts that become payable by the Contractor to the Government under this contract shall bear simple interest from the date due until paid unless paid within 30 days of becoming due. The interest rate shall be the interest rate established by the Secretary of the Treasury as provided in 41 U.S.C. 7109, which is applicable to the period in which the amount becomes due, as provided in (i)(6)(v) of this clause, and then at the rate applicable for each six-month period at fixed by the Secretary until the amount is paid.

(ii) The Government may issue a demand for payment to the Contractor upon finding a debt is due under the contract.

(iii) Final decisions. The Contracting Officer will issue a final decision as required by 33.211 if—

(A) The Contracting Officer and the Contractor are unable to reach agreement on the existence or amount of a debt within 30 days;

(B) The Contractor fails to liquidate a debt previously demanded by the Contracting Officer within the timeline specified in the demand for payment unless the amounts were not repaid because the Contractor has requested an installment payment agreement; or

(C) The Contractor requests a deferment of collection on a debt previously demanded by the Contracting Officer (see 32.607-2).

(iv) If a demand for payment was previously issued for the debt, the demand for payment included in the final decision shall identify the same due date as the original demand for payment.

(v) Amounts shall be due at the earliest of the following dates:

(A) The date fixed under this contract.

(B) The date of the first written demand for payment, including any demand for payment resulting from a default termination.

(vi) The interest charge shall be computed for the actual number of calendar days involved beginning on the due date and ending on—

(A) The date on which the designated office receives payment from the Contractor;

(B) The date of issuance of a Government check to the Contractor from which an amount otherwise payable has been withheld as a credit against the contract debt; or

(C) The date on which an amount withheld and applied to the contract debt would otherwise have become payable to the Contractor.

(vii) The interest charge made under this clause may be reduced under the procedures prescribed in 32.608-2 of the Federal Acquisition Regulation in effect on the date of this contract.

(j) *Risk of loss.* Unless the contract specifically provides otherwise, risk of loss or damage to the supplies provided under this contract shall remain with the Contractor until, and shall pass to the Government upon:

(1) Delivery of the supplies to a carrier, if transportation is f.o.b. origin; or

(2) Delivery of the supplies to the Government at the destination specified in the contract, if transportation is f.o.b. destination.

(k) *Taxes.* The contract price includes all applicable Federal, State, and local taxes and duties.

(l) *Termination for the Government's convenience.* The Government reserves the right to terminate this contract, or any part hereof, for its sole convenience. In the event of such termination, the Contractor shall immediately stop all work hereunder and shall immediately cause any and all of its suppliers and subcontractors to cease work. Subject to the terms of this contract, the Contractor shall be paid a percentage of the contract price reflecting the percentage of the work performed prior to the notice of termination, plus reasonable charges the Contractor can demonstrate to the satisfaction of the Government using its standard record keeping system, have resulted from the termination. The Contractor shall not be required to comply with the cost accounting standards or contract cost principles for this purpose. This paragraph does not give the Government any right to audit the Contractor's records. The Contractor shall not be paid for any work performed or costs incurred which reasonably could have been avoided.

(m) *Termination for cause.* The Government may terminate this contract, or any part hereof, for cause in the event of any default by the Contractor, or if the Contractor fails to comply with any contract terms and conditions, or fails to provide the Government, upon request, with adequate assurances of future performance. In the event of termination for cause, the Government shall not be liable to the Contractor for any amount for supplies or services not accepted, and the Contractor shall be liable to the Government for any and all rights and remedies provided by law. If it is determined that the Government improperly terminated this contract for default, such termination shall be deemed a termination for convenience.

(n) *Title.* Unless specified elsewhere in this contract, title to items furnished under this contract shall pass to the Government upon acceptance, regardless of when or where the Government takes physical possession.

(o) *Warranty.* The Contractor warrants and implies that the items delivered hereunder are merchantable and fit for use for the particular purpose described in this contract.

(p) *Limitation of liability.* Except as otherwise provided by an express warranty, the Contractor will not be liable to the Government for consequential damages resulting from any defect or deficiencies in accepted items.

(q) *Other compliances.* The Contractor shall comply with all applicable Federal, State and local laws, executive orders, rules and regulations applicable to its performance under this contract.

(r) *Compliance with laws unique to Government contracts.* The Contractor agrees to comply with 31 U.S.C. 1352 relating to limitations on the use of appropriated funds to influence certain Federal contracts; 18 U.S.C. 431 relating to officials not to benefit; 40 U.S.C. chapter 37, Contract Work Hours and Safety Standards; 41 U.S.C. chapter 87, Kickbacks; 41 U.S.C. 4712 and 10 U.S.C. 2409 relating to whistleblower protections; 49 U.S.C. 40118, Fly American; and 41 U.S.C. chapter 21 relating to procurement integrity.

(s) *Order of precedence.* Any inconsistencies in this solicitation or contract shall be resolved by giving precedence in the following order:

- (1) The schedule of supplies/services.
 - (2) The Assignments, Disputes, Payments, Invoice, Other Compliances, Compliance with Laws Unique to Government Contracts, and Unauthorized Obligations paragraphs of this clause.
 - (3) The clause at 52.212-5.
 - (4) Addenda to this solicitation or contract, including any license agreements for computer software.
 - (5) Solicitation provisions if this is a solicitation.
 - (6) Other paragraphs of this clause.
 - (7) The Standard Form 1449.
 - (8) Other documents, exhibits, and attachments.
 - (9) The specification.
- (t) System for Award Management (SAM).
- (1) Unless exempted by an addendum to this contract, the Contractor is responsible during performance and through final payment of any contract for the accuracy and completeness of the data within the SAM database, and for any liability resulting from

the Government's reliance on inaccurate or incomplete data. To remain registered in the SAM database after the initial registration, the Contractor is required to review and update on an annual basis from the date of initial registration or subsequent updates its information in the SAM database to ensure it is current, accurate and complete. Updating information in the SAM does not alter the terms and conditions of this contract and is not a substitute for a properly executed contractual document.

(2)

(i) If a Contractor has legally changed its business name, "doing business as" name, or division name (whichever is shown on the contract), or has transferred the assets used in performing the contract, but has not completed the necessary requirements regarding novation and change-of-name agreements in Subpart 42.12, the Contractor shall provide the responsible Contracting Officer a minimum of one business day's written notification of its intention to:

(A) Change the name in the SAM database;

(B) Comply with the requirements of Subpart 42.12 of the FAR;

(C) Agree in writing to the timeline and procedures specified by the responsible Contracting Officer. The Contractor must provide with the notification sufficient documentation to support the legally changed name.

(ii) If the Contractor fails to comply with the requirements of paragraph (t)(2)(i) of this clause, or fails to perform the agreement at paragraph (t)(2)(i)(C) of this clause, and, in the absence of a properly executed novation or change-of-name agreement, the SAM information that shows the Contractor to be other than the Contractor indicated in the contract will be considered to be incorrect information within the meaning of the "Suspension of Payment" paragraph of the electronic funds transfer (EFT) clause of this contract.

(3) The Contractor shall not change the name or address for EFT payments or manual payments, as appropriate, in the SAM record to reflect an assignee for the purpose of assignment of claims (see FAR Subpart 32.8, Assignment of Claims). Assignees shall be separately registered in the SAM database. Information provided to the Contractor's SAM record that indicates payments, including those made by EFT, to an ultimate recipient other than that Contractor will be considered to be incorrect information within the meaning of the "Suspension of payment" paragraph of the EFT clause of this contract.

(4) Offerors and Contractors may obtain information on registration and annual confirmation requirements via SAM accessed through <https://www.acquisition.gov>.

(u) Unauthorized Obligations.

(1) Except as stated in paragraph (u)(2) of this clause, when any supply or service acquired under this contract is subject to any End Use License Agreement (EULA), Terms of Service (TOS), or similar legal instrument or agreement, that includes any clause requiring the Government to indemnify the Contractor or any person or entity for damages, costs, fees, or any other loss or liability that would create an Anti-Deficiency Act violation (31 U.S.C. 1341), the following shall govern:

(i) Any such clause is unenforceable against the Government.

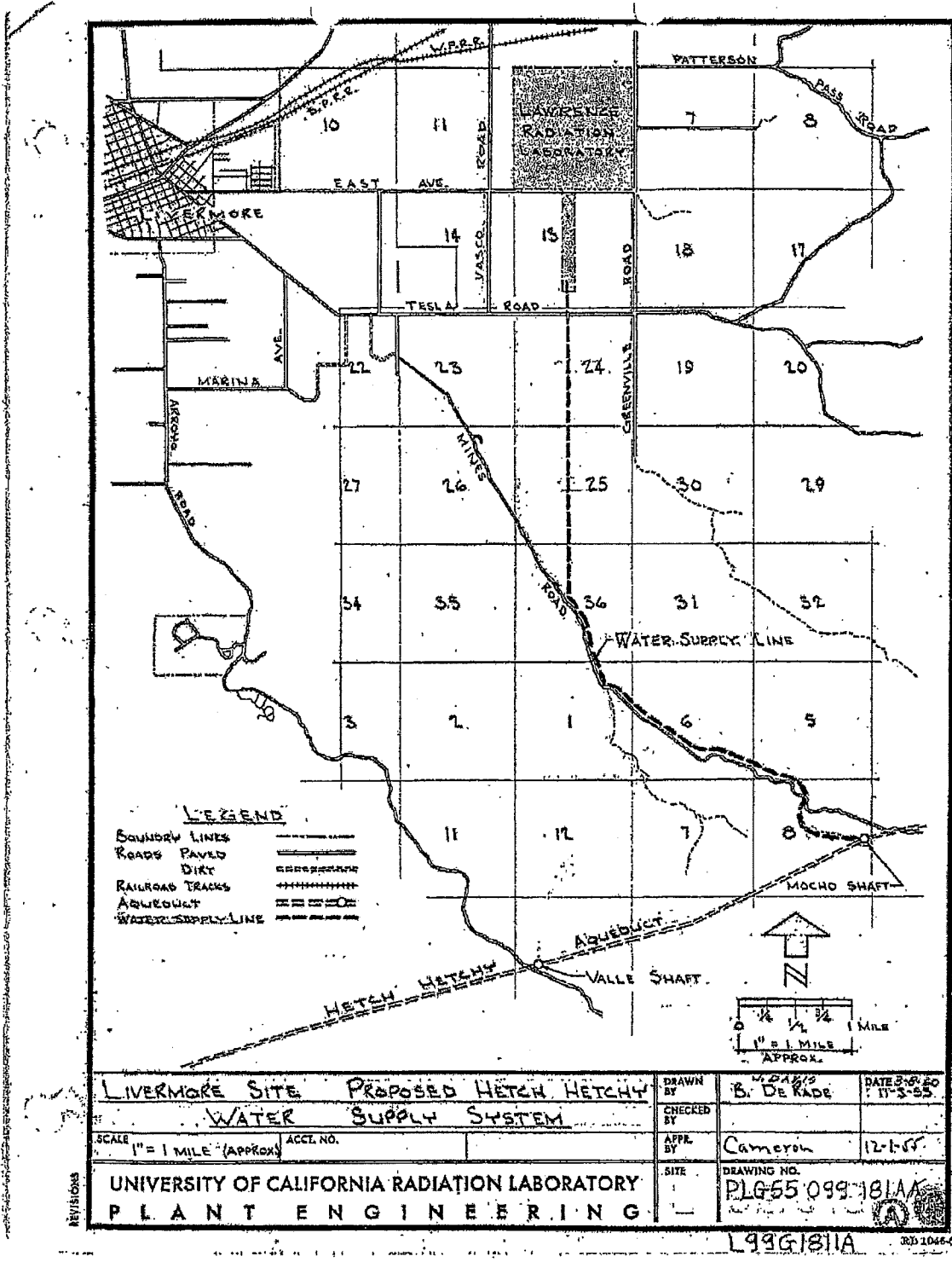
(ii) Neither the Government nor any Government authorized end user shall be deemed to have agreed to such clause by virtue of it appearing in the EULA, TOS, or similar legal instrument or agreement. If the EULA, TOS, or similar legal instrument or agreement is invoked through an "I agree" click box or other comparable mechanism (e.g., "click-wrap" or "browse-wrap" agreements), execution does not bind the Government or any Government authorized end user to such clause.

(iii) Any such clause is deemed to be stricken from the EULA, TOS, or similar legal instrument or agreement.

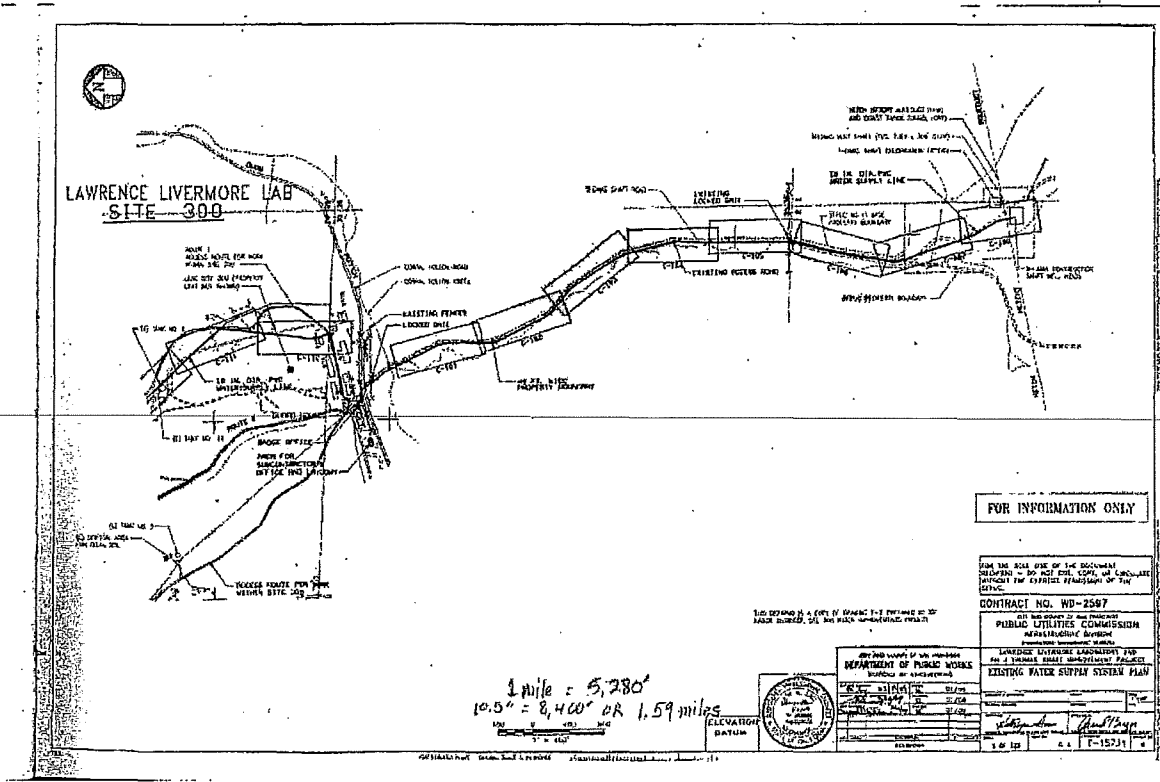
(2) Paragraph (u)(1) of this clause does not apply to indemnification by the Government that is expressly authorized by statute and specifically authorized under applicable agency regulations and procedures.

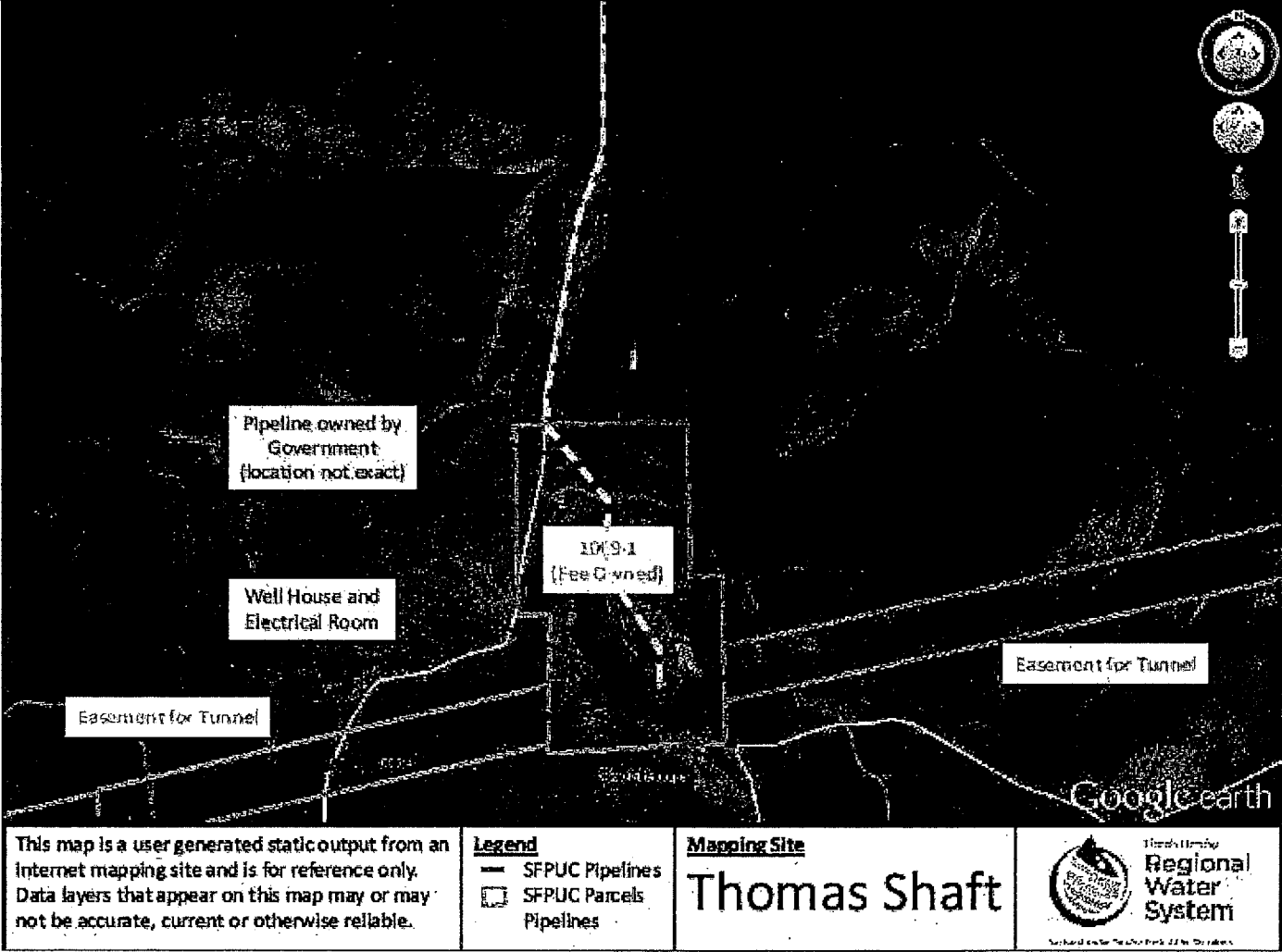
(End of Clause)

Attachment 6 SFPUC Mocho Shaft Point of Delivery -- SFPUC Drawing E-15737



Attachment 7 to DE-NA0002471 LLNL S300 THOMAS SHAFT CONNECTION – SFPUC DRAWING E-15731





Transfer and Retention of Government Owned Facilities and Equipment at the Thomas Shaft, Hetch Hetchy Coast Range Tunnel

Historical Background and General Description

The Government and San Francisco Public Utilities Commission (SFPUC) have installed facilities and equipment on SFPUC fee owned property at the Thomas Shaft of the Coast Range Tunnel (shown generally on page 5). The first pumping equipment and piping components were purchased by the Government and constructed at the Thomas Shaft in 1995 for the sole purpose of transporting Hetch Hetchy water to Site 300. Due to the State of California water quality regulatory changes that became effective after 1987, the Thomas Shaft pumping system was not able to deliver potable water to Site 300 without treatment. In 2002, the Government and SFPUC mutually agreed through Modification 5 to contract DE-AC03-76SF16828 that SFPUC would install, at their own cost, the *Thomas Shaft Chlorination Facility* approximately 120 feet northeast of the Thomas Shaft. The *Thomas Shaft Chlorination Facility* was designed and constructed to reuse or replace the original 1995 Thomas Shaft equipment. The Thomas Shaft portion of the system was necessary to pump water from the Hetch Hetchy Coastal Range Tunnel (approximately 354' below grade up to the *Thomas Shaft Chlorination Facility*). Once the water was treated at the *Thomas Shaft Chlorination Facility* it was piped back toward the Thomas Shaft into a 10" pipe that runs below grade on the Thomas Shaft access road, also owned in fee by the SFPUC, about 1.54 miles to Site 300 (see Attachment 7 for SFPUC property drawing). The pump, treatment, and delivery process is maintained and operated by SFPUC's personnel. Water is supplied only as Site 300's water distribution system requires more water, e.g. tank water level is signaled via telemetry between Site 300 and the Thomas Shaft.

The components at the Thomas Shaft, as identified below, that were originally designated as Government property are now transferred to SFPUC and are the property of SFPUC. SFPUC now has sole ownership and responsibility to operate and maintain the components upstream of the Point of Delivery at the Thomas Shaft facilities shown on attachment.

The 10" diameter piping downstream of the Point of Delivery to Site 300, and the G1 and G4 control panels, will remain the property of the Government. It will be the Government's responsibility to operate and maintain the 10" diameter piping from the Point of Delivery to Site 300 and the G1 and G4 control panels. The Government or its representative shall coordinate with, and obtain prior approval from, SFPUC staff for access to Government owned equipment and components located within the Thomas Shaft facilities.

Original 1995 Government property transferred to SFPUC:

1. 266 lineal feet of 8' (H) wire cloth security fencing surrounding Thomas Shaft Deep Well Pump area enclosing Electrical Utility Prefabricated Enclosure, Well Pump Prefabricated Enclosure, and Deep Well Pumps at top of shaft casing.
2. Electrical Utility Prefabricated Enclosure: 10' (W) x 16' (L) x 10' (H) prefabricated enclosure Atkinson Industries Inc. Model 128-004, Shop Order C5639, Manufactured October 1993. The following is contained within the Electrical Utility Building:
 - a. Motor Control Center No. 571A

Attachment 8 to DE-NA0002471

- i. Space A1: Automatic Transfer Switch 571A, Westinghouse Series 2100 208V/120V
 - ii. Space B1: Circuit Breaker Welding Receptacle
 - iii. Space B2: Joslyn Surge Pack, Surge Protection Equipment
 - iv. Space B3: Relay Deep Well Pump No. 1
 - v. Space B4: Relays Deep Well Pump No. 1 and No. 2
 - vi. Space C1: Spare Switch
 - vii. Space C5: Capacitor Deep Well Pump No. 2
 - viii. Space D1: Circuit Breaker Deep Well Pump No. 2
 - ix. Space D5: Capacitor Deep Well Pump No. 1
 - x. Space E1: Circuit Breaker Well Pump WP-1
 - xi. Space E5: Circuit Breaker Well Pump WP-2
 - xii. Space F1L: Primary Disconnect Switch Transformer T572
 - xiii. Space F1R: Main Circuit Breaker Lighting and Electrical Panel 572A
 - b. Electric Transformer T572, MGM Transformer Co., CAT No. HT20A3B2, S/N 94-1-85622-1, 30 KVA 480V-208V/120V 3-Phase
 - c. Exterior and Interior Lighting Fixtures
 - d. Wall Mounted Phone Instrument
 - e. Wall Mounted HVAC Heat Pump ACHPS-01 and Thermostat
3. Electrical Meter Cabinet No. 511 [outside of security fencing area, adjacent on north side of fenced area][meters themselves are Pacific Gas & Electric Co. property]
 4. Electric Transformer No. T571 500 KVA 12KV/480V [Outside of security fencing area, adjacent on north side of Electrical Meter Cabinet No. 511]
 5. Isolation Valve No. 101 [between 10" Diameter x 8" Diameter 90 Degree Elbow and 8" Diameter x 6" Diameter 90 Degree Elbow on SFPUC's 6" Diameter UV Reactor Treated Water Piping] [was installed new in 2010 by SFPUC using their funds; replaced old valve]
 6. 6" Reduced Pressure Backflow Preventer [was installed new by SFPUC using their funds; replaced old Backflow Preventer]
 7. 6" Piping Connecting Well Nos. 1, 2 & 3 to SFPUC Thomas Shaft Chlorination Facility and Appurtenances [Y-Strainer, Butterfly Valves, Gate Valve, Angle Ball Plugs (for disinfection), 6" Surge Control Valve, Flowmeter, Air Valve] [most of this was demolished and replaced in 2010 with new by SFPUC using their funds – see SFPUC drawing E-15737]
 8. 12" Diameter Well Casings (3) Nos. 1, 2, & 3 [original, i.e. prior to 2010 SFPUC construction work]
 9. 4" Diameter Well Piping for Deep Well Nos. 1 & 3 located within well casings [Nos. 1 and 3 are original, i.e. prior to 2010 SFPUC construction work and were not removed nor replaced by SFPUC in 2010]

Enclosures and Equipment Installed by SFPUC in 2010 as SFPUC Property:

1. Well Pump Prefabricated Valve Enclosure: 18' (W) x 20' (L) x 10' (H) building structural Steel w/ concrete foundation to enclose the Point of Delivery and various mechanical components. [installed by SFPUC in 2010 using their funds]
 - a. Surge Tank T-1 SSA-2000E/200 S/N 179574 and Associated Appurtenances and 4" Diameter Surge Piping [located within the Well Pump Prefabricated Valve Enclosure] [installed new by SFPUC in 2010 using their funds; no surge tank was used as part of the government's 1995 constructed system]

Attachment 8 to DE-NA0002471

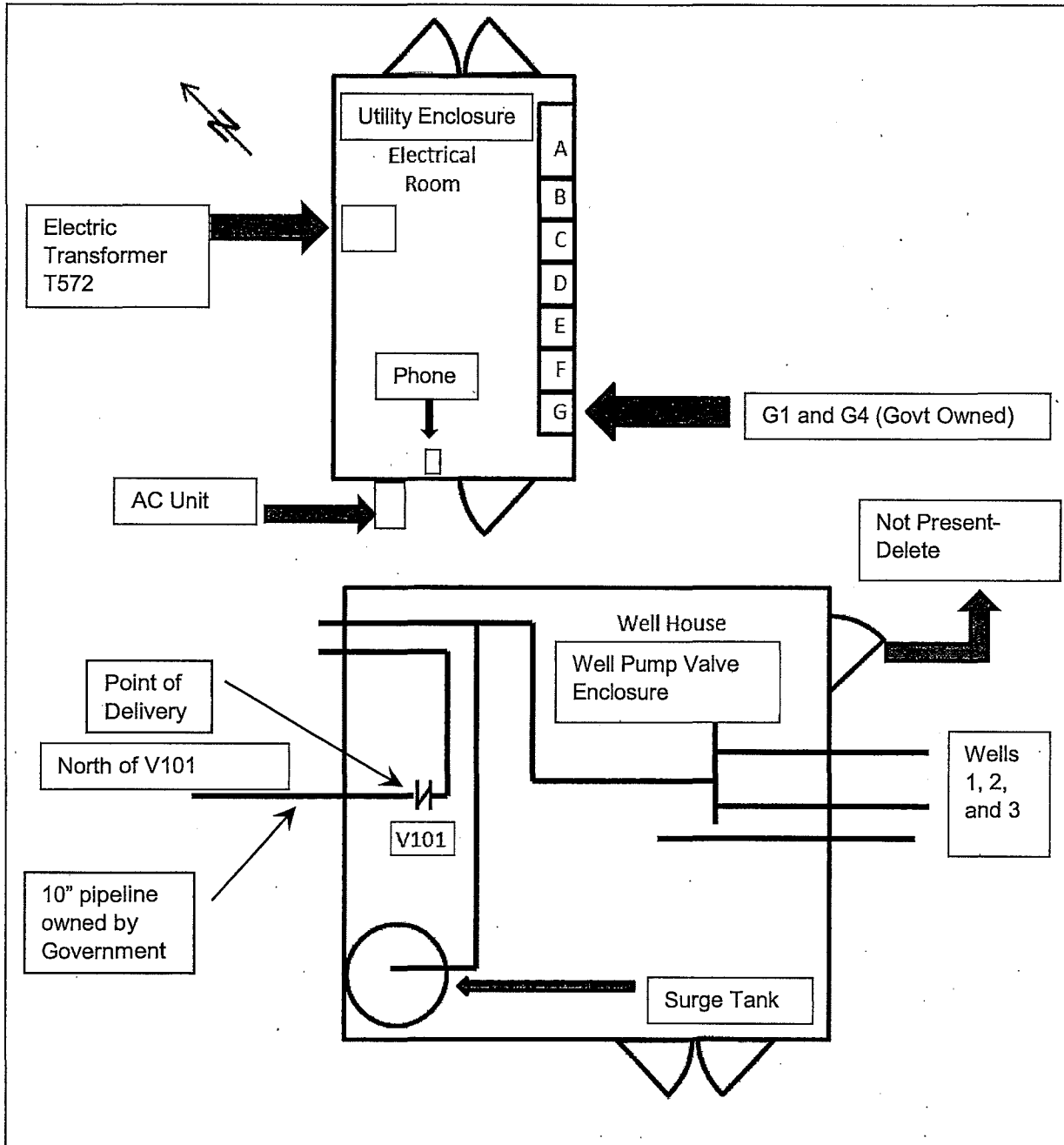
2. Deep Well Pumps Nos. 2 & 3 at Well Casings Nos. 2, & 3 respectively [two (2 each) 100 horsepower submersible multistage lift pumps owned by the federal government were removed by SFPUC in 2010 and replaced with new using their funds; the removed pumps were delivered to LLNL in 2010 for reuse elsewhere]
3. 4" Diameter Well Piping for Deep Well No. 2 located within well casing No. 2 [the original No. 2 4" Diameter Well Piping for Deep Well No. 2 was replaced by SFPUC in 2010 using their funds; the removed components were delivered to LLNL in 2010 for reuse elsewhere]

To remain Government property:

1. Within the Electrical Utility Prefabricated Enclosure at Motor Control Center No. 571A:
 - a. Space G1: Pump Controls OPTO 22 Controller
 - b. Space G4: LLNL Telecommunication LLIX System
2. 10" diameter PVC pipe 10" Diameter x 8" Diameter 90 Degree Elbow – "Point of Delivery" and associated valves beginning above grade within the Well Pump Valve Enclosure just north of Valve No. V-101 and then goes below grade for about 1.54 miles ending at Site 300 Valve Box No. 1

Attachment 8 to DE-NA0002471

Attachment (8) to Contract DE-NA0002471





10" pipeline owned
by Government
(location not exact)

Easement for Tunnel

Well House and
Electrical Room

Easement for Tunnel

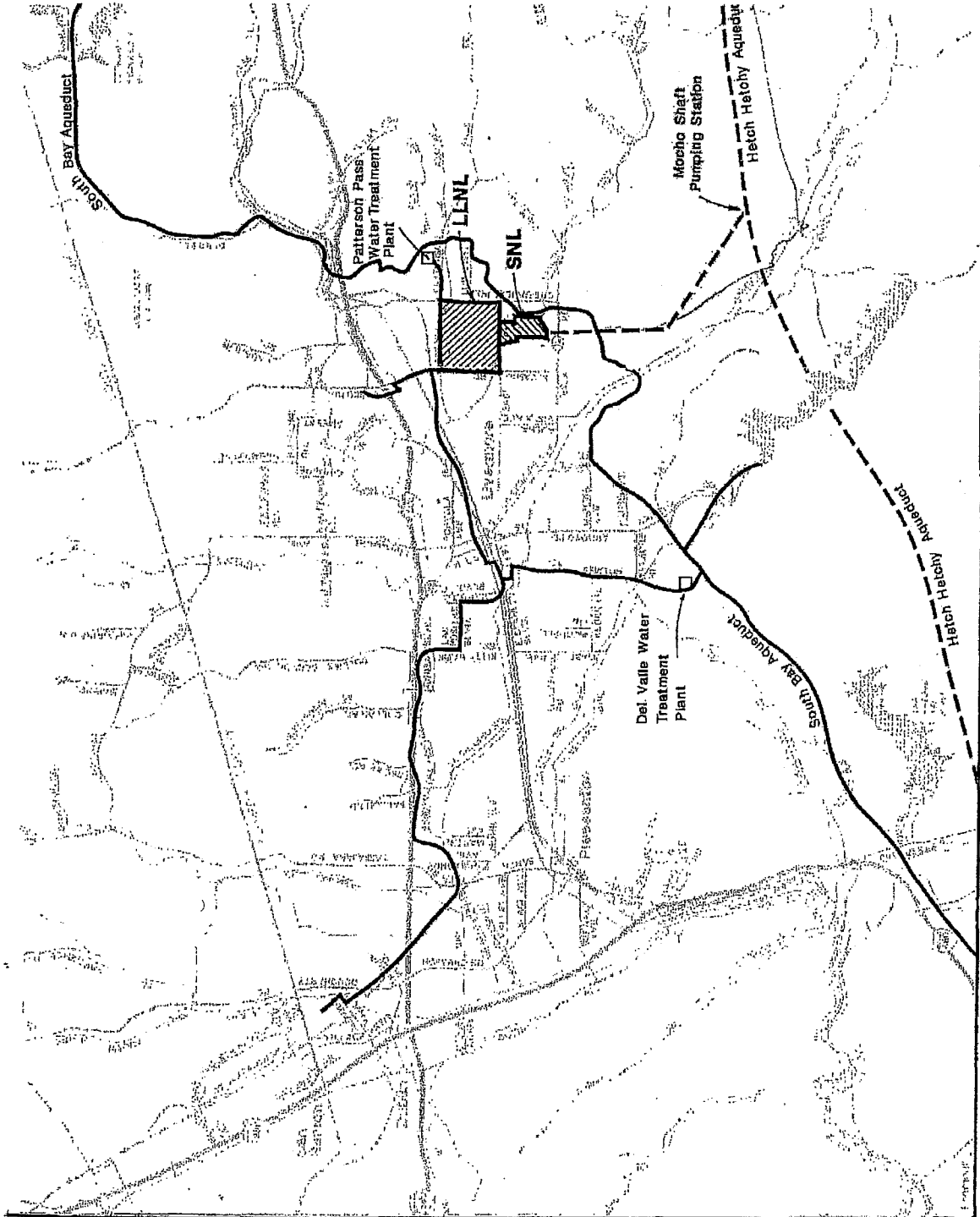


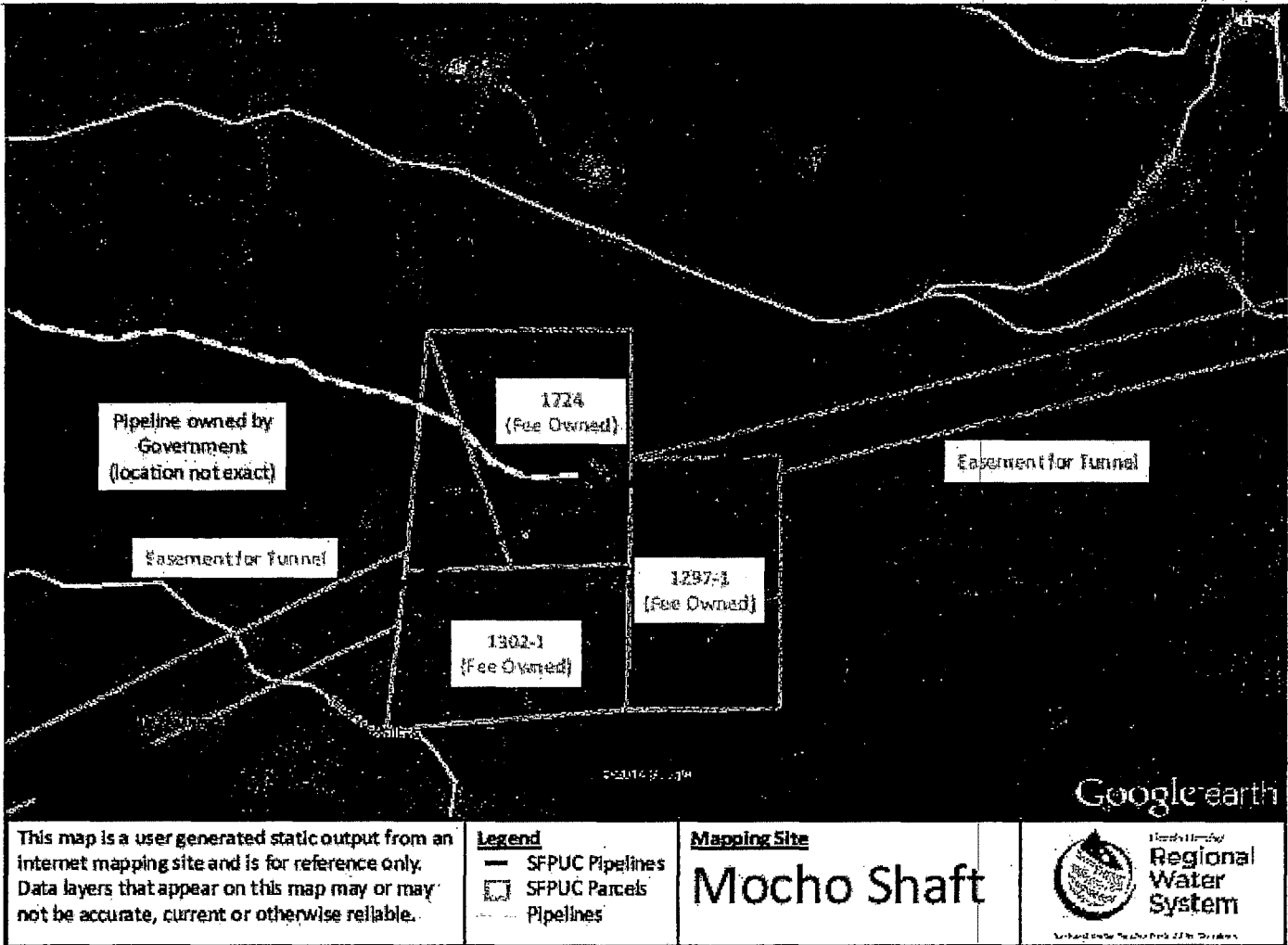
This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current or otherwise reliable.

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Legend
— SFPUC Pipelines
□ SFPUC Parcels

Mapping Site
Thomas Shaft





PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
RESOLUTION NO. 443

RESOLVED, That this Commission approves and hereby authorizes the Manager of Utilities, for and on behalf of the City and County of San Francisco, acting through its Public Utilities Commission, to execute that certain Contract No. AT(04-3)-269, between United States Atomic Energy Commission and City and County of San Francisco, providing for sale and delivery of water to the United States Atomic Energy Commission at Livermore, California.

I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission
at its meeting of JULY 19, 1960

M. J. L. [Signature]
Acting Secretary

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CONTRACTOR CORP

CONTRACT NO. AT(04-3)-269

BETWEEN

UNITED STATES ATOMIC ENERGY COMMISSION

AND

CITY AND COUNTY OF SAN FRANCISCO

075424

ARTICLE I - Definitions

- II - Scope of Contract
- III - Term of Contract
- IV - Service Specifications
- V - Government's Facilities
- VI - Use of Contractor's Premises
- VII - Continuity of Service and Consumption
- VIII - Measurement of Water
- IX - Meter Test
- X - Rates and Charges
- XI - Public Regulation and Change of Rates
- XII - Payments
- XIII - Compliance with Applicable Laws
- XIV - Notice of Non-Responsibility
- XV - Liability
- XVI - Transfer of Contract and Assignment of Claim
- XVII - Conflicts
- XVIII - Limit of Government's Obligations
- XIX - Nondiscrimination in Employment
- XX - Officials Not to Benefit
- XXI - Covenant Against Contingent Fees
- XXII - Renegotiation
- XXIII - Examination of Records

CONTRACT NO. AT(04-3)-269

XXIV - Safety, Health and Fire Protection

XXV - Disputes

XXVI - Content of Contract

EXHIBIT A - Service Description

B - Property Description

C - Rate Schedule for Water Service

175426

CONTRACT NO. AT(04-3)-269

AGREEMENT BETWEEN
UNITED STATES ATOMIC ENERGY COMMISSION
SAN FRANCISCO OPERATIONS OFFICE
AND
CITY AND COUNTY OF SAN FRANCISCO.
FOR PRIMARY WATER SERVICE

This CONTRACT, entered into as of this 27 day of JUNE, 1960, by and between the UNITED STATES OF AMERICA (hereinafter called the "Government"), acting through the UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter called the "Commission"), and the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation organized and existing under the laws of the State of California, acting through its PUBLIC UTILITIES COMMISSION (hereinafter called the "Contractor").

WITNESSETH THAT:

WHEREAS, the Commission finds that the common defense and security require the furnishing of water for its Site hereinafter more particularly described; and

WHEREAS, the Contractor is willing to furnish such water; and

WHEREAS, the Commission finds that the Contractor is best qualified to perform such services, all relevant factors considered; and

WHEREAS, the Commission certifies that this negotiated contract is authorized by and executed under the Atomic Energy Act of 1954 in the interest of the common defense and security;

NOW, THEREFORE, the parties hereto do mutually agree as follows:

ARTICLE I - DEFINITIONS

As used in this contract:

- (a) The term "Contracting Officer" means the person executing this contract on behalf of the Government and includes his successors or any duly authorized representative of any such person.
- (b) The term "Commission" means the United States Atomic Energy Commission or any duly authorized representative thereof, including the Contracting Officer except for the purpose of deciding an appeal under the article entitled "Disputes."

CONTRACT June 27, 1960
(executed copy)

117-427

CONTRACT NO. AT(04-3)-269

AGREEMENT BETWEEN
UNITED STATES ATOMIC ENERGY COMMISSION
SAN FRANCISCO OPERATIONS OFFICE
AND
CITY AND COUNTY OF SAN FRANCISCO
FOR PRIMARY WATER SERVICE

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- (b) The term "Commission" means the United States Atomic Energy Commission or any duly authorized representative thereof, including the Contracting Officer except for the purpose of deciding an appeal under the article entitled "Disputes."

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- (c) The term "Contractor" means the City and County of San Francisco, acting through its Public Utilities Commission, or any duly authorized representative thereof, including the General Manager and Chief Engineer of the Hetch Hetchy Water Supply, Power and Utilities Engineering Bureau.

ARTICLE II - SCOPE OF CONTRACT

Subject to the terms and conditions hereinafter set forth, the Contractor shall sell and deliver to the Government and the Government shall purchase and receive from the Contractor all water service (hereinafter called "service") requested by the Government from the Contractor in the location described in Exhibit A, attached hereto (hereinafter called the "service location").

ARTICLE III - TERM OF CONTRACT

This contract shall continue in effect for the period from the effective date hereof through the 30th day of June next succeeding, and subject to the availability of appropriations, thereafter until terminated by the Government, at any time, upon thirty days' notice; and provided, that the bimonthly charges specified in this contract shall be equitably prorated for the billing period in which termination of this contract shall become effective.

ARTICLE IV - SERVICE SPECIFICATIONS

- (a) The water to be furnished by the Contractor under this contract shall be delivered to the Government at the point of delivery as indicated in Exhibit A, attached hereto, at the available pressure carried in the Contractor's aqueduct at that point. It is understood that said pressure is subject to variation with the operation of the Contractor's aqueduct and that the Contractor shall not be responsible for any effect of such variation on the water service to the Government.
- (b) The water, when delivered at the above location, shall be potable and suitable for domestic use and shall meet the requirements of the State of California Health and Safety Code, with respect to public domestic water supply.

ARTICLE V - GOVERNMENT'S FACILITIES

- (a) The Government at its expense will furnish, install, construct, operate and maintain all supply lines, pumps, and other facilities it may require (hereinafter collectively referred to as "facilities") to transmit and distribute all water received by it at the place of delivery. All such facilities shall be and remain the sole property of the Government and shall be subject to the provisions of Article VI - Use of Contractor's Premises.

- (b) Prior to the construction or installation of any structure or facility by the Government or any of its agents on any property, right-of-way, or easement of which title or rights are vested in the Contractor, or in or adjacent to the tunnel, shaft, or crosscut of the Contractor's aqueduct, detail plans and specifications of such structures and facilities, and the proposed construction procedures and safety precautions to be followed, shall be submitted to the Contractor for written approval. No construction of such structures or facilities shall commence prior to the receipt of such approval.

ARTICLE VI - USE OF CONTRACTOR'S PREMISES

- (a) For the purpose of access, installing, constructing, operating, and maintaining necessary supply lines, pumps, and other facilities of the water supply system of the Government required to be located on Contractor's premises, permit is hereby granted to the Government, free of any rental or similar charge, to occupy and utilize property or premises of the Contractor as described in Exhibit B, attached hereto. This permit is granted subject to the following conditions:
- (1) This grant of permission does not constitute a deed or grant of an easement by the Contractor, and is not transferable or assignable. The grant shall be irrevocable until the termination of this contract and for a reasonable time thereafter sufficient to allow for the removal by the Government of its facilities. Upon the expiration of such reasonable time said grant shall be deemed to be revoked.
 - (2) The use of said property of the Contractor by the Government shall be limited solely to the purposes set forth by this permit, and no structures of any kind except those expressly permitted shall be erected or placed thereon.
 - (3) The Government shall at all times keep the Contractor's property in good and sightly condition, so far as it may be affected by the Government's operations hereunder.
 - (4) The Government shall, within a reasonable time after receipt of notice to do so, which notice is in no event to be given prior to the termination of this contract as provided in subparagraph (1) above, elect, with the consent of the Contractor, either (i) to abandon its facilities or any portion thereof, in which event title to said facilities shall vest in the Contractor immediately upon notification by the Government of its election to so abandon; or (ii) to alter or remove, at the expense of the Government such facilities or any portion thereof; provided, however, that in no

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event shall any such abandonment, alteration or removal interfere with any pipe, pipe line, power line, hoist, or other structure now constructed by the Contractor or with any operation of the Contractor, or with any uses by the Contractor of the land and structures affected hereby. Within a reasonable time after such abandonment, alteration, or removal, the Government at its expense shall restore the premises to their original condition, in a manner consistent with such abandonment, alteration or removal, to the reasonable satisfaction of the Contractor. In lieu of such abandonment, alteration, or removal, the Government may, with the consent of the Contractor, elect to pay to the Contractor a reasonable amount to cover any expenses reasonably expected to accrue to the Contractor as a result of any interference with the Contractor's property, operations, or use of the land and structures affected hereby.

- (5) All work performed by the Government under this permit shall be strictly in conformance with the safety orders of the California State Division of Industrial Safety and other pertinent Federal and State regulations.
- (6) A minimum of maintenance work is performed on the Contractor's private access road to Mocho Shaft. Any additional maintenance or construction work on said road which may be required for its use by the Government for Government's access and operations under the contract shall be performed by the Government at its expense and subject to the approval of the Contractor.
- (7) Authorized representatives of the Government, its Contractors and subcontractors, will be allowed access to the facilities of the Government at suitable times to perform the obligations of the Government with respect to such facilities.

ARTICLE VII - CONTINUITY OF SERVICE AND CONSUMPTION

- (a) The Contractor shall use all reasonable diligence in providing a constant and uninterrupted supply of water, but the Contractor shall not be liable to the Government hereunder, nor shall the Government be liable to the Contractor hereunder by reason of failure of the Contractor to deliver or the Government to receive water as the result of fire, strike, riot, explosion, flood, earthquake, accident, breakdown, temporary interruptions due to normal operations, acts of God or the public enemy, or other acts beyond the control of the party affected; it being the intention of each party to relieve the other of the obligation to supply water or to receive and pay for water when, as a result of any of the above-mentioned causes, either party may be unable to deliver or use in whole or in part, the water herein contracted to be delivered and received. This section shall

not be construed to relieve the Government of liability for payment of water delivered at the meter but not beneficially used.

- (b) The Contractor shall have the right at any and all times, to shut off the water from its aqueduct for the purpose of making inspections, repairs, extensions, alterations, or for any other purpose necessary or desirable for the proper operation and maintenance of the aqueduct. It is understood that such a shutdown may involve a period of many weeks and that it will be the responsibility of the Government to safeguard its supply by providing adequate storage facilities or an alternate source of supply.
- (c) So far as possible, reasonable notice shall be given by the Government of any major change in the rate of the quantity of water to be taken at the point of delivery; and by the Contractor of any scheduled or emergency shutdown of its aqueduct.

ARTICLE VIII - MEASUREMENT OF WATER

- (a) The water supplied hereunder shall be measured by suitable metering equipment of standard manufacture, to be furnished, installed, maintained, and calibrated by the Contractor at its expense. All such equipment shall be and remain the property of the Contractor. When more than a single meter is installed in a battery, the readings thereof shall be billed conjunctively. A standby emergency meter shall be installed for emergency demand or for by-pass maintenance operation. No service charge shall be made for standby emergency meter.
- (b) The Contractor shall read said meters at its expense and, as far as possible, shall read all meters at periodic intervals of approximately sixty-one (61) days. The service charge based on meter readings of less than fifty-seven (57) days or more than sixty-five (65) days, shall be prorated on the basis of an average bimonthly period of sixty-one (61) days.
- (c) In the event any meter fails to register or registers incorrectly, a daily average will be obtained from the reading of such meter taken for the previous period, when the meter was shown to be operating correctly, or from the reading of a new meter known to be correct, installed in its place, or from other information which shall reveal a fair daily average, and this daily average shall be used as a basis of payment for the period that such meter was out of order, the length of such period to be determined by agreement between the parties. When it becomes known to the Contractor that any meter fails to register, or registers incorrectly, the Contractor shall thereupon take the necessary corrective steps.

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ARTICLE IX - METER TEST

- (a) At the written request of the Government, the Contractor shall make tests in the presence of Government representatives of any or all meters installed by the Contractor. The cost, if any, of such tests shall be borne by the Government if the percentage of error is found to be not more than two (2) percent slow or fast. No meter shall be placed in service or allowed to remain in service which has an error in registration in excess of two (2) percent under normal operating conditions.
- (b) If upon test, any meter shall be found to register slow or fast in excess of said two (2) percent, corrections shall accordingly be made in the amount charged for water passing through such meter, but no such correction shall extend beyond twelve (12) months previous to the day on which such inaccuracy is discovered by said test.

ARTICLE X - RATES AND CHARGES

- (a) For all service furnished under this contract at the service location, the Government shall pay the Contractor in accordance with rate schedule for water service as established by the Public Utilities Commission of San Francisco, applicable outside the limits of the City and County of San Francisco, effective January 1, 1960, which is attached hereto as Exhibit C and is part hereof; subject to the provisions of Article XI herein. No reduction in those rates will be made by the Contractor because of the cost to the Government of raising water from the Contractor's aqueduct tunnel. The Government will be held responsible for payment for all water passing through the Contractor's meters, whether the water has been beneficially used by Government or lost through leakage in its supply lines or fixtures.
- (b) If the Contractor should fail to provide a constant and uninterrupted supply of water at the point of delivery for a continuous period of more than forty-eight (48) hours during any bimonthly period hereunder, the service charge specified in Exhibit C hereof shall be prorated for such bimonthly period on the basis of an average bimonthly period of sixty-one (61) days.

ARTICLE XI - PUBLIC REGULATION AND CHANGE OF RATES

Service furnished under this contract shall be subject to regulation in the manner and to the extent prescribed by the Charter of the City and County of San Francisco in conferring jurisdiction in the Public Utilities Commission of the City and County of San Francisco for the regulation and fixation of rates.

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If during the term of this contract the said Public Utilities Commission fixes rates that are higher or rates that are lower than those stipulated herein for like conditions of service, the Contractor agrees to continue to furnish service as stipulated in this contract and the Government agrees to pay for such service at the higher or lower rates from and after the date when such rates are made effective.

ARTICLE XII - PAYMENTS

Payments for the service furnished hereunder shall be made bimonthly (not in advance) upon submission of properly certified invoices rendered by the Contractor to the Commission. Such invoices shall contain statements of the meter readings at the beginning and the end of the bimonthly period, bimonthly consumption, and such other pertinent data as shall be required by the Government. All bills for service furnished hereunder shall be paid by the Government without penalty or interest.

ARTICLE XIII - COMPLIANCE WITH APPLICABLE LAWS

- (a) This contract is subject to the conditions set forth in Public Act No. 41 of this 63rd Congress, Second Session (known as the Raker Act) and any limitations in the appropriative water rights acquired by the City under the laws of the State of California.
- (b) The Government shall not, directly or indirectly sell, sublease, assign, or otherwise dispose of any part of the water service provided hereunder. It is agreed that the Government may furnish water service without charge to its agents, contractors, and subcontractors, and for the various activities at the premises to be served as described in Exhibit A, attached hereto, which by law or Atomic Energy Commission Regulations the Government may engage or establish and maintain.

ARTICLE XIV - NOTICE OF NONRESPONSIBILITY

Except in instances of emergency requiring immediate work, the Government agrees that it will notify Contractor at least ten days before starting any construction work, repairs or alterations on any property, right-of-way, or easement of which title or rights are vested in the Contractor, in order that Contractor may post appropriate notices of nonresponsibility. The Government shall at all times permit such notices to remain posted for the time required by law.

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ARTICLE XV - LIABILITY

- (a) Subject to the availability of funds, the Government shall indemnify and hold harmless the Contractor and all officers, servants, agents and employees of the Contractor from any loss or liability to third persons arising from any property damage, personal injury or death due directly or indirectly to the operations of the Government or uses of Contractor's property by the Government or its agents under this contract.
- (b) The Government shall be held liable for any and all damages to the water meters and other property of the Contractor which may be wilfully caused by or result from carelessness or negligence on the part of the Government or its agents or employees.
- (c) The Contractor shall be liable for any damage caused to the property of the Government from any wilful or negligent act or omission of the Contractor or any of its officers, servants, agents, or employees.

ARTICLE XVI - TRANSFER OF CONTRACT AND ASSIGNMENT OF CLAIM

Neither this contract nor any interest herein nor any claim arising hereunder shall be transferred or assigned by the Contractor to any party or parties without the prior written consent of the Government.

ARTICLE XVII - CONFLICTS

To the extent of any inconsistency between the provisions of this contract and any schedule, rider or exhibit incorporated in this contract by reference, or any of the Contractor's rules and regulations, the provisions of this contract shall control.

ARTICLE XVIII - LIMIT OF GOVERNMENT'S OBLIGATIONS

All obligations of the Government under this contract shall be subject to the availability of appropriations therefor.

ARTICLE XIX - NONDISCRIMINATION IN EMPLOYMENT

- (a) In connection with the performance of work under this contract, the Contractor agrees not to discriminate against any employee or applicant for employment because of race, religion, color or national origin. The aforesaid provision shall include but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of the nondiscrimination clause.
- (b) The Contractor further agrees to insert the foregoing provision in all subcontracts hereunder, except (1) subcontracts for standard commercial supplies or raw materials; (2) subcontracts to be performed outside the United States where no recruitment of workers within the limits of the United States is involved; (3) purchase orders on pocket size forms similar to U. S. Standard Form 44; and (4) subcontracts to meet other special requirements or emergencies, if recommended by the Committee on Government Contracts. In the case of purchase orders hereunder which do not exceed \$5,000, the last sentence of paragraph (a) above may be omitted.

ARTICLE XX - OFFICIALS NOT TO BENEFIT

No member of or delegate to Congress or resident commissioner, shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE XXI - COVENANT AGAINST CONTINGENT FEES

The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding

for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty the Government shall have the right to annul this contract without liability or in its discretion to deduct from the contract price or consideration the full amount of such commission, percentage, brokerage, or contingent fee.

ARTICLE XXII - RENEGOTIATION

If this contract is subject to the Renegotiation Act of 1951, as amended, the following provisions shall apply:

- (a) This contract is subject to the Renegotiation Act of 1951, as amended (65 Stat. 7; P.L. 764, 83rd Congress) and shall be deemed to contain all the provisions required by section 104 of said Act.
- (b) The Contractor agrees to insert the provisions of this article, including this paragraph (b) in all subcontracts specified in section 103(g) of the Renegotiation Act of 1951; provided that the Contractor shall not be required to insert the provisions of this article in any sub-contract exempted by or pursuant to section 106 of the Renegotiation Act of 1951, as amended.

ARTICLE XXIII - EXAMINATION OF RECORDS

- (a) The Contractor agrees that the Commission and the Comptroller General of the United States or any of their duly authorized representatives shall have access to and the right to examine any directly pertinent books, documents, papers and records of the contractor involving transactions related to this contract until the expiration of three years after final payment under this contract unless the Commission authorizes their prior disposition.
- (b) The Contractor further agrees to include in all his subcontracts hereunder a provision to the effect that the subcontractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall have access to and the right to examine any directly pertinent books, documents, papers, and records of such subcontractor involving transactions related to the subcontract until the expiration of three years after final payment under this contract unless the Commission authorizes their prior disposition. The term "subcontract" as used herein means any purchase order or agreement to perform all or any part of the work or to make or furnish any materials required for the performance of this contract, but does not include (1) purchase orders not exceeding \$2,500 (2) subcontracts or purchase orders for public utility services at rates established for uniform applicability to the general public, or (3) subcontracts or purchase orders for general inventory items not specifically identifiable with the work under this contract.
- (c) Nothing in this contract shall be deemed to preclude an audit by the General Accounting Office of any transaction under this contract.

ARTICLE XXIV - SAFETY, HEALTH AND FIRE PROTECTION

The Contractor shall take all reasonable precautions in the performance of the work under this contract to protect the health and safety of employees and of members of the public and to minimize danger from all hazards of life and property, and shall comply with all health, safety and fire protection regulations and requirements (including reporting requirements) of the Commission. In the event that the Contractor fails to comply with said regulations or requirements of the Commission, the Contracting Officer may without prejudice to any other legal or contractual rights of the Commission, issue an order stopping all or any part of the work; thereafter a start order for resumption of work may be issued at the discretion of the Contracting Officer. The Contractor shall make no claim for an extension of time or for compensation or damages by reason of or in connection with such work stoppage.

ARTICLE XXV - DISPUTES

- (a) Except as otherwise provided in this contract, any dispute concerning a question of fact arising under this contract which is not disposed of by agreement shall be decided by the Contracting Officer, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Contractor. The decision of the Contracting Officer shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Contractor mails or otherwise furnishes to the Contracting Officer a written appeal addressed to the Commission. The decision of the Commission or its duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any appeal proceeding under this clause, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, the Contractor shall proceed diligently with the performance of the contract and in accordance with the Contracting Officer's decision.
- (b) This "Disputes" clause does not preclude consideration of law questions in connection with decisions provided for in paragraph (a) above; provided, that nothing in this contract shall be construed as making final the decision of any administrative official, representative, or board on a question of law.

ARTICLE XXVI - CONTENT OF CONTRACT

This contract consists of this document and Exhibits A, B and C attached hereto and by this reference made a part hereof as though set forth herein at length.

IN WITNESS WHEREOF, the parties hereto have executed this contract as of the day and year first above written.

APPROVED:

Robert C. Kirkwood
(Manager of Utilities)

THE UNITED STATES OF AMERICA

By J. E. Armstrong
Engineering Division
San Francisco Operations Office
U.S. Atomic Energy Commission

RECOMMENDED:

STE. P. ...
(General Manager and Chief Engineer
Hetch Hetchy Water Supply
Power and Utilities Engineering
Bureau)

THE CITY AND COUNTY OF SAN FRANCISCO
BY ITS PUBLIC UTILITIES COMMISSION

Joseph ...
(President and Commissioner)
... Davis
(Vice-President and Commissioner)

APPROVED AS TO FORM:
Dion R. Holm
City Attorney

... Williams
(Commissioner)
... ...
(Commissioner)

By Thomas M. O'Connell
(Public Utilities Counsel)

... ...
(Commissioner)

... ...
BUREAU OF ...

CERTIFICATE

I, Robert C. Kirkwood, certify that I am Manager of Utilities of the City and County of San Francisco, named as Contractor in the foregoing contract; that the members of the Public Utilities Commission of the City and County of San Francisco have duly signed and executed said contract for and on behalf of said Contractor as duly authorized by law and by the Charter of the City and County of San Francisco and that said contract is within the scope of the corporate powers of the City and County of San Francisco, a Municipal Corporation duly organized and existing under and by virtue of the laws of the State of California.

(CORPORATE SEAL)

Robert C. Kirkwood
(Manager of Utilities)

ATTEST:

Robert T. ...
(Clerk of the Board of Supervisors
of the City and County of San Francisco)

EXHIBIT A
SERVICE DESCRIPTION

1. PREMISES TO BE SERVED.

The premises to be served under the contract include the facilities at the Commission's site, located to the north and south of East Avenue approximately three miles east of Livermore, California.

2. SERVICE LOCATION.

As referred to in contract, the service location is on property owned in fee by the City and County of San Francisco, at an adjacent to what is known as "Mocho Shaft" of the Coast Range Tunnel of the Hetch Hetchy Aqueduct. Location of "Mocho Shaft" is on Mendenhall Springs Quadrangle:

Longitude	121° 39' 40" W
Latitude	37° 36' 10" N

3. POINT OF DELIVERY.

The point of delivery at which the Contractor shall deliver water to the Government under the contract, is the point in the Coast Range Tunnel of the Hetch Hetchy Aqueduct adjacent to "Mocho Shaft" at an elevation of approximately 364 feet, to which the Government will furnish the necessary supply lines and connection.

4. ESTIMATED SERVICE REQUIREMENTS.

Normal:	1960	350,000 gallons per day (average)
	1970	500,000 gallons per day (average)
Emergency:	(Fire)	1,500,000 gallons per day (maximum)

5. METER REQUIREMENTS.

Normal rate of flow	600 gpm
Maximum rate of flow	1200 gpm
Maximum pressure	150 psi

6. METERING LOCATION.

Metering equipment for measuring the water supplied under the contract shall be located in the Government's supply line at a point mutually agreed upon by the Government and the Contractor.

EXHIBIT B

DESCRIPTION OF THE CONTRACTOR'S PROPERTY FOR WHICH PERMIT IS
GRANTED TO THE GOVERNMENT TO OCCUPY AND UTILIZE
UNDER THE TERMS OF THE CONTRACT

1. The Contractor's private road extending from Alameda County Road No. 3333 to Mocho Shaft of the Contractor's Coast Range Tunnel, being Hetch Hetchy Water Supply Parcel Nos. 1305(1) and 1303(2), all as shown on Hetch Hetchy Water Supply Drawing No. C-658.
2. That portion of Mocho Shaft site known as Hetch Hetchy Water Supply Parcel No. 1303(1), all as shown on Hetch Hetchy Water Supply Drawing No. C-923.
3. The following structures owned by the Contractor and located on Hetch Hetchy Water Supply Parcel No. 1303(1):
 - a. Tunnel access shaft, approximately 820 feet in depth.
 - b. Underground tunnel station and cross-cut leading from said station to Contractor's Coast Range Tunnel.

EXHIBIT C

RATE SCHEDULE FOR WATER SERVICE

As established by the

Public Utilities Commission of San Francisco

APPLICABLE OUTSIDE THE LIMITS OF THE CITY AND COUNTY OF SAN FRANCISCO

Effective January 1, 1960

SCHEDULE W-21. RESIDENTIAL, COMMERCIAL, INDUSTRIAL AND GENERAL USES.

Bills for all metered services, excepting fire, Palo Alto pipe line and resale services, shall consist of:

FIRST: A SERVICE CHARGE based on the size of meter. For two month (bi-monthly) billing the charge shall be twice the amounts shown:

5/8 in.	\$0.80	2 in.	\$ 5.70	8 in.	\$50.80
3/4 in.	1.30	3 in.	10.20	10 in.	73.00
1 in.	1.90	4 in.	15.90	12 in.	101.60
1-1/2 in.	3.20	6 in.	31.80	16 in.	203.20

The service charge for a battery of meters installed on one service in lieu of one meter or for a special type of meter shall be based on the size of single or multiple standard type meters of equivalent capacity.

SECOND: A CHARGE FOR WATER DELIVERED based on one month meter readings:

For the first	3,300 cubic feet	30.5 cents per 100 cu. ft.
For the next	30,000 cubic feet	26.7 cents per 100 cu. ft.
For the next	300,000 cubic feet	21.2 cents per 100 cu. ft.
For all over	333,300 cubic feet	15.0 cents per 100 cu. ft.

OR SECOND: A CHARGE FOR WATER DELIVERED based on two month (bi-monthly) meter readings:

For the first	6,600 cubic feet	30.5 cents per 100 cu. ft.
For the next	60,000 cubic feet	26.7 cents per 100 cu. ft.
For the next	600,000 cubic feet	21.2 cents per 100 cu. ft.
For all over	666,600 cubic feet	15.0 cents per 100 cu. ft.

MINIMUM BILLING: In application of the above rates, minimum bills for each size of meter shall be the applicable service charge plus the charge for the following minimum quantities of water. For two month (bi-monthly) billing the minimum quantities shall be twice those shown:

5/8 in.	0 cu.ft.	2 in.	2,800 cu.ft.	8 in.	25,400 cu.ft.
3/4 in.	0 cu.ft.	3 in.	5,100 cu.ft.	10 in.	36,500 cu.ft.
1 in.	900 cu.ft.	4 in.	7,900 cu.ft.	12 in.	50,800 cu.ft.
1 1/2 in.	1,600 cu.ft.	6 in.	15,900 cu.ft.	16 in.	101,600 cu.ft.

170442

PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
RESOLUTION NO. 443

RESOLVED, That this Commission approves and hereby authorizes the Manager of Utilities, for and on behalf of the City and County of San Francisco, acting through its Public Utilities Commission, to execute that certain Contract No. AT(04-3)-269, between United States Atomic Energy Commission and City and County of San Francisco, providing for sale and delivery of water to the United States Atomic Energy Commission at Livermore, California.

I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission
at its meeting of JULY 19, 1960

[Signature]
Acting

Secretary

443

MODIFICATION NO. 1
SUPPLEMENTAL AGREEMENT TO
CONTRACT NO. AT(04-3)-269

SUPPLEMENTAL AGREEMENT

This SUPPLEMENTAL AGREEMENT is entered into this 30th day of June, 1964, effective as of April 20, 1964, between the UNITED STATES OF AMERICA (hereinafter called the "Government"), acting through the UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter called the "Commission"), and the CITY AND COUNTY OF SAN FRANCISCO (hereinafter called the "Contractor"), a municipal corporation organized and existing under and by virtue of the laws of the State of California, acting through its PUBLIC UTILITIES COMMISSION.

WITNESSETH THAT:

WHEREAS, the parties desire to revise the provision of the contract entitled "NONDISCRIMINATION IN EMPLOYMENT" to conform with Executive Order 11114, dated June 22, 1963.

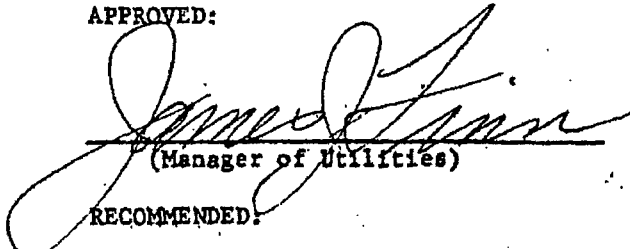
NOW, THEREFORE, Contract No. AT(04-3)-269 is modified in the following particular, but in no other:

There is substituted for ARTICLE XIX - NONDISCRIMINATION IN EMPLOYMENT the revised text as set forth in Exhibit I to this Modification No. 1 attached hereto and made a part hereof.

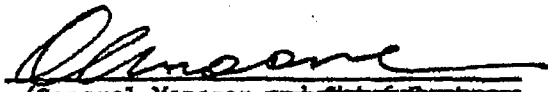
Except as herein provided, all the terms and conditions of Contract No. AT(04-3)-269, as amended, shall continue in full force and effect.

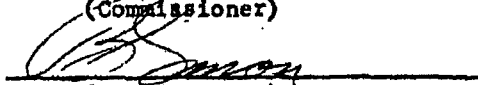
IN WITNESS WHEREOF, the Government and the Contractor have caused this Supplemental Agreement to be executed, intending to be legally bound thereby.

APPROVED:

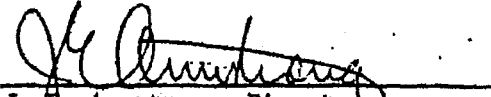

(Manager of Utilities)

RECOMMENDED:

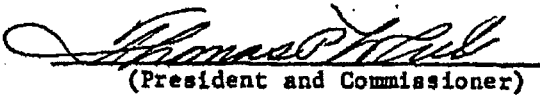
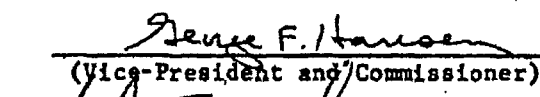


(General Manager and Chief Engineer
Hetch Hetchy Water Supply
Power and Utilities Engineering
Bureau)

(Commissioner)

(Commissioner)

UNITED STATES OF AMERICA
BY: U. S. ATOMIC ENERGY COMMISSION


J. E. Armstrong, Director
Engineering Division
San Francisco Operations Office
Contracting Officer

THE CITY AND COUNTY OF SAN FRANCISCO
BY ITS PUBLIC UTILITIES COMMISSION


(President and Commissioner)

(Vice-President and Commissioner)

(Commissioner)

7-444

APPROVED AS TO FORM:

~~THOMAS M. O'CONNOR~~ Thomas M. O'Connor
City Attorney

By: William F. Danner
(Public Utilities Counsel)

CERTIFICATE

I, James J. Finn, certify that I am Manager of Utilities of the City and County of San Francisco, named as Contractor in the foregoing contract; that the members of the Public Utilities Commission of the City and County of San Francisco have duly signed and executed said contract for and on behalf of said Contractor as duly authorized by law and by the Charter of the City and County of San Francisco and that said contract is within the scope of the corporate powers of the City and County of San Francisco, a Municipal Corporation duly organized and existing under and by virtue of the laws of the State of California.

CORPORATE SEAL

James J. Finn
(Manager of Utilities)

ATTEST:

Philip P. Engler
(Clerk of the Board of Supervisors
of the City and County of San Francisco)

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EXHIBIT 1 TO
MODIFICATION NO. 1st
CONTRACT NO. AT(04-3)-269

NONDISCRIMINATION IN EMPLOYMENT - During the performance of this contract, the Contractor agrees as follows:

- (a) The Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited, to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of this nondiscrimination clause.
- (b) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.
- (c) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency Contracting Officer, advising the said labor union or workers' representative of the Contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (d) The Contractor will comply with all provisions of Executive Order No. 10925 of March 6, 1961, as amended, and of the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity created thereby.
- (e) The Contractor will furnish all information and reports required by Executive Order No. 10925 of March 6, 1961, as amended, and by the rules, regulations, and orders of the said Committee, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Committee for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (f) In the event of the Contractor's noncompliance with the non-discrimination clauses of this contract or with any of the said

7/24/63

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rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 10925 of March 6, 1961, as amended, and such other sanctions may be imposed and remedies invoked as provided in the said Executive Order or by rule, regulation, or order of the President's Committee on Equal Employment Opportunity, or as otherwise provided by law.

- (g) The Contractor will include the provisions of paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the President's Committee on Equal Employment Opportunity issued pursuant to Section 303 of Executive Order No. 10925 of March 6, 1961, as amended, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

7/24/63

17-447

CONTRACTOR COPY

EXECUTED COPY

MODIFICATION NO. 2
SUPPLEMENTAL AGREEMENT TO
CONTRACT NO. AT(04-3)-269

SUPPLEMENTAL AGREEMENT

This SUPPLEMENTAL AGREEMENT is entered into this 16th day of January, 1969, effective October 28, 1968, between the United States of America (hereinafter called the "Government"), acting through the United States Atomic Energy Commission (hereinafter called the "Commission"), and the City and County of San Francisco, a municipal corporation organized and existing under the laws of the State of California, acting through its PUBLIC UTILITIES COMMISSION (hereinafter called the "Contractor").

WITNESSETH THAT:

WHEREAS, the parties desire to provide for an increased supply of water to the Government under this contract and to revise certain of the contract terms and conditions, all as hereinafter more fully set forth; and

WHEREAS, the Commission certifies that this negotiated modification to the contract is authorized by and executed under Section 302(c)(15) of the Federal Property and Administrative Services Act of 1949, as amended, and Section 31c of the Atomic Energy Act of 1954, as amended;

NOW, THEREFORE, the parties hereto agree that Contract No. AT(04-3)-269 shall be amended as follows:

1. There is added to ARTICLE I - DEFINITIONS, the following as a new subparagraph (d):

"(d) Except as otherwise provided in this contract, the term "subcontract" includes purchase orders under this contract."

2. ARTICLE III - TERM OF CONTRACT, is amended to read as follows:

"(a) This agreement shall remain in force and effect for the period from June 27, 1960 through June 30, 1969, and thereafter may be extended at the option of the Government on a year-to-year basis by the Government giving written notice to the Contractor on or before March 31 of its intention to renew for the following fiscal year. In the event the Government fails at any time or times to give notice of intention to renew, this agreement shall not expire until ten days following receipt by the Government of written notice from Contractor specifying a termination date for service and this agreement shall be renewed as if such notice of intention to renew had been timely given by March 31, if within such ten-day period Government gives written notice to the Contractor of its election to renew.

(b) The Government may terminate this agreement at any time upon giving thirty-days' notice to the Contractor of its decision to terminate, in which case charges for service under this contract shall be equitably prorated for the billing period in which termination of this contract shall become effective."

3. So much of ARTICLE X - RATES AND CHARGES, as reads "effective January 1, 1960" is changed to read "effective May 1, 1962" and there is substituted for Exhibit C dated January 1, 1960, a revised Schedule C, dated May 1, 1962.
4. ARTICLE XIX - NONDISCRIMINATION IN EMPLOYMENT, as amended, is retitled and further amended to read:

"ARTICLE XIX - EQUAL OPPORTUNITY

(The following clause is applicable unless this contract is exempt under the rules, regulations, and relevant orders of the Secretary of Labor (41 CFR, ch. 60).)

During the performance of this contract, the Contractor agrees as follows:

- (1) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of this Equal Opportunity clause.
- (2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- (3) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency Contracting Officer, advising the labor union or workers' representative of the Contractor's commitments under this Equal Opportunity clause, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

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- (4) The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (5) The Contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (6) In the event of the Contractor's noncompliance with the Equal Opportunity clause of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended, in whole or in part, and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulations, or order of the Secretary of Labor, or as otherwise provided by law.
- (7) The Contractor will include the provisions of paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, That in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States."

5. ARTICLE XXI - COVENANT AGAINST CONTINGENT FEE is amended to read:

"The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the Government shall have the right to annul this contract without liability or in its discretion to deduct from the contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee."

47450

6. ARTICLE XXII - RENEGOTIATION is amended to read:

"If this contract is subject to the Renegotiation Act of 1951, as amended, the following provisions shall apply:

- (a) This contract is subject to the Renegotiation Act of 1951, (50 U.S.C. App. 1211, et seq.), as amended, and to any subsequent act of Congress providing for the renegotiation of contracts. Nothing contained in this Article shall impose any renegotiation obligation with respect to this contract or any subcontract hereunder which is not imposed by an act of Congress heretofore or hereafter enacted. Subject to the foregoing, this contract shall be deemed to contain all the provisions required by section 104 of the Renegotiation Act of 1951, and by any such other act, without subsequent contract amendment specifically incorporating such provisions.
- (b) The Contractor agrees to insert the provisions of this Article, including this paragraph (b), in all subcontracts, as that term is defined in section 103g of the Renegotiation Act of 1951, as amended."

7. ARTICLE XXIII - EXAMINATION OF RECORDS is amended to read:

- "(a) The Contractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment under this contract, have access to and the right to examine any directly pertinent books, documents, papers, and records of the Contractor involving transactions related to this contract.
- (b) The Contractor further agrees to include in all his subcontracts hereunder a provision to the effect that the subcontractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment under the subcontract, have access to and the right to examine any directly pertinent books, documents, papers, and records of such subcontractor, involving transactions related to the subcontract. The term "subcontract" as used in this Article excludes (1) purchase orders not exceeding \$2,500 and (ii) subcontracts or purchase orders for public utility services at rates established for uniform applicability to the general public.
- (c) Nothing in this contract shall be deemed to preclude an audit by the General Accounting Office of any transaction under this contract."

070451

8. ARTICLE XXIV - SAFETY, HEALTH AND FIRE PROTECTION, is deleted and there is substituted therefor a new Article XXIV reading as follows:

"ARTICLE XXIV - CONVICT LABOR

In connection with the performance of work under this contract, the Contractor agrees not to employ any person undergoing sentence of imprisonment at hard labor."

9. Paragraphs 4 and 5 of Exhibit A are amended to read as follows:

"4. Estimated Service Requirements

normal	1960	350,000 gallons per day (average)
	1970	750,000 gallons per day (average)
	1975	1,000,000 gallons per day (average)
emergency	(fire)	1,500,000 gallons per day (maximum)

5. Meter Requirements

normal rate of flow	1350 gpm
maximum rate of flow	2000 gpm
maximum pressure	150 psi"

Except as hereinabove provided, all terms and conditions of Contract No. AT(04-3)-269 shall continue in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this SUPPLEMENTAL AGREEMENT as of day and year first above written.

APPROVED AS TO FORM:

Thomas M. O'Connor
City Attorney

By: William F. James
Public Utilities Counsel

THE UNITED STATES OF AMERICA

BY: [Signature]
San Francisco Operations Office
U. S. Atomic Energy Commission

THE CITY AND COUNTY OF SAN FRANCISCO
BY ITS PUBLIC UTILITIES COMMISSION

BY: [Signature]
General Manager of Public Utilities

77452

I, James K. Carr, certify that I am General Manager of Public Utilities of the City and County of San Francisco, named as Contractor in the foregoing contract; that I have duly signed and executed said contract for and on behalf of said Contractor as duly authorized by law and by the Charter of the City and County of San Francisco and that said contract is within the scope of the corporate powers of the City and County of San Francisco, a Municipal Corporation duly organized and existing under and by virtue of the laws of the State of California.

James K. Carr
(General Manager of Public Utilities)

ATTEST:
Authorized by Public Utilities
Commissioner Resolution No. 169-0001

JANUARY 7 1969

Adopted: *James K. Carr*
Secretary and Assistant
General Manager

99-453

EXHIBIT C

RATE SCHEDULE FOR WATER SERVICE

As established by the

Public Utilities Commission of San Francisco
APPLICABLE OUTSIDE THE LIMITS OF THE CITY AND COUNTY OF SAN FRANCISCO

Effective May 1, 1962

SCHEDULE W-21. RESIDENTIAL, COMMERCIAL, INDUSTRIAL AND GENERAL USES.

Bills for all metered services, excepting fire, Palo Alto pipe line and resale services, shall consist of:

FIRST: A SERVICE CHARGE based on the size of meter. For two month (bi-monthly) billing the charge shall be twice the amounts shown:

5/8 in.	\$0.80	2 in.	\$ 5.70	8 in.	\$50.80
3/4 in.	1.30	3 in.	10.20	10 in.	73.00
1 in.	1.90	4 in.	15.90	12 in.	101.60
1-1/2 in.	3.20	6 in.	31.80	16 in.	203.20

The service charge for a battery of meters installed on one service in lieu of one meter or for a special type of meter shall be based on the size of single or multiple standard type meters of equivalent capacity.

SECOND: A CHARGE FOR WATER DELIVERED based on one month meter readings:

For the first	3,300 cubic feet	29.2 cents per 100 cu. ft.
For the next	30,000 cubic feet	25.9 cents per 100 cu. ft.
For the next	300,000 cubic feet	21.0 cents per 100 cu. ft.
For the next	7,666,700 cubic feet	14.7 cents per 100 cu. ft.
For the next	8,000,000 cubic feet	14.3 cents per 100 cu. ft.
For all over	16,000,000 cubic feet	14.0 cents per 100 cu. ft.

OR SECOND: A CHARGE FOR WATER DELIVERED based on two month (bi-monthly) meter readings:

For the first	6,600 cubic feet	29.2 cents per 100 cu. ft.
For the next	60,000 cubic feet	25.9 cents per 100 cu. ft.
For the next	600,000 cubic feet	21.0 cents per 100 cu. ft.
For the next	15,333,400 cubic feet	14.7 cents per 100 cu. ft.
For the next	16,000,000 cubic feet	14.3 cents per 100 cu. ft.
For all over	32,000,000 cubic feet	14.0 cents per 100 cu. ft.

MINIMUM BILLING: In application of the above rates, minimum bills for each size of meter shall be the applicable service charge plus the charge for the following minimum quantities of water. For two month (bi-monthly) billing the minimum quantities shall be twice those shown:

5/8 in.	0 cu.ft.	2 in.	2,800 cu.ft.	8 in.	25,400 cu.ft.
3/4 in.	0 cu.ft.	3 in.	5,100 cu.ft.	10 in.	36,500 cu.ft.
1 in.	900 cu.ft.	4 in.	7,900 cu.ft.	12 in.	50,800 cu.ft.
1-1/2 in.	1,600 cu.ft.	6 in.	15,900 cu.ft.	16 in.	101,600 cu.ft.

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PUBLIC UTILITIES COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. 24074

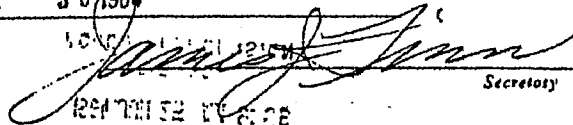
WHEREAS certain clauses relating to fair employment practices are required in United States government contracts to comply with presidential Executive Orders, therefore be it

RESOLVED, That this Commission approves and hereby authorizes the General Manager of Public Utilities, for and on behalf of the City and County of San Francisco, acting through its Public Utilities Commission, to execute Modification No. 1 to that certain Contract No. T(74-3)-269, between United States Atomic Energy Commission and City and County of San Francisco, providing for sale and delivery of water to the United States Atomic Energy Commission at Livermore, California.

I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission

at its meeting of

JUNE 30 1964


Secretary

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CONTRACTOR COPY

EXECUTED COPY

MODIFICATION NO. 2
SUPPLEMENTAL AGREEMENT TO
CONTRACT NO. AT(04-3)-269

SUPPLEMENTAL AGREEMENT

This SUPPLEMENTAL AGREEMENT is entered into this 16th day of January, 1969, effective October 28, 1968, between the United States of America (hereinafter called the "Government"), acting through the United States Atomic Energy Commission (hereinafter called the "Commission"), and the City and County of San Francisco, a municipal corporation organized and existing under the laws of the State of California, acting through its PUBLIC UTILITIES COMMISSION (hereinafter called the "Contractor").

WITNESSETH THAT:

WHEREAS, the parties desire to provide for an increased supply of water to the Government under this contract and to revise certain of the contract terms and conditions, all as hereinafter more fully set forth; and

WHEREAS, the Commission certifies that this negotiated modification to the contract is authorized by and executed under Section 302(c)(15) of the Federal Property and Administrative Services Act of 1949, as amended, and Section 31c of the Atomic Energy Act of 1954, as amended;

NOW, THEREFORE, the parties hereto agree that Contract No. AT(04-3)-269 shall be amended as follows:

1. There is added to ARTICLE I - DEFINITIONS, the following as a new subparagraph (d):

"(d) Except as otherwise provided in this contract, the term "subcontract" includes purchase orders under this contract."

2. ARTICLE III - TERM OF CONTRACT, is amended to read as follows:

"(a) This agreement shall remain in force and effect for the period from June 27, 1960 through June 30, 1969, and thereafter may be extended at the option of the Government on a year-to-year basis by the Government giving written notice to the Contractor on or before March 31 of its intention to renew for the following fiscal year. In the event the Government fails at any time or times to give notice of intention to renew, this agreement shall not expire until ten days following receipt by the Government of written notice from Contractor specifying a termination date for service and this agreement shall be renewed as if such notice of intention to renew had been timely given by March 31, if within such ten-day period Government gives written notice to the Contractor of its election to renew.

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(b) The Government may terminate this agreement at any time upon giving thirty-days' notice to the Contractor of its decision to terminate, in which case charges for service under this contract shall be equitably prorated for the billing period in which termination of this contract shall become effective."

3. So much of ARTICLE X - RATES AND CHARGES, as reads "effective January 1, 1960" is changed to read "effective May 1, 1962" and there is substituted for Exhibit C dated January 1, 1960, a revised Schedule C, dated May 1, 1962.
4. ARTICLE XIX - NONDISCRIMINATION IN EMPLOYMENT, as amended, is retitled and further amended to read:

"ARTICLE XIX - EQUAL OPPORTUNITY

(The following clause is applicable unless this contract is exempt under the rules, regulations, and relevant orders of the Secretary of Labor (41 CFR, ch. 60).)

During the performance of this contract, the Contractor agrees as follows:

- (1) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of this Equal Opportunity clause.
- (2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- (3) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency Contracting Officer, advising the labor union or workers' representative of the Contractor's commitments under this Equal Opportunity clause, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

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- (4) The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (5) The Contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (6) In the event of the Contractor's noncompliance with the Equal Opportunity clause of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended, in whole or in part, and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulations, or order of the Secretary of Labor, or as otherwise provided by law.
- (7) The Contractor will include the provisions of paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, That in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States."
5. ARTICLE XXI - COVENANT AGAINST CONTINGENT FEE is amended to read;

"The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the Government shall have the right to annul this contract without liability or in its discretion to deduct from the contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee."

6. ARTICLE XXII - RENEGOTIATION is amended to read:

"If this contract is subject to the Renegotiation Act of 1951, as amended, the following provisions shall apply:

(a) This contract is subject to the Renegotiation Act of 1951, (50 U.S.C. App. 1211, et seq.), as amended, and to any subsequent act of Congress providing for the renegotiation of contracts. Nothing contained in this Article shall impose any renegotiation obligation with respect to this contract or any subcontract hereunder which is not imposed by an act of Congress heretofore or hereafter enacted. Subject to the foregoing, this contract shall be deemed to contain all the provisions required by section 104 of the Renegotiation Act of 1951, and by any such other act, without subsequent contract amendment specifically incorporating such provisions.

(b) The Contractor agrees to insert the provisions of this Article, including this paragraph (b), in all subcontracts, as that term is defined in section 103g of the Renegotiation Act of 1951, as amended."

7. ARTICLE XXIII - EXAMINATION OF RECORDS is amended to read:

"(a) The Contractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment under this contract, have access to and the right to examine any directly pertinent books, documents, papers, and records of the Contractor involving transactions related to this contract.

(b) The Contractor further agrees to include in all his subcontracts hereunder a provision to the effect that the subcontractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment under the subcontract, have access to and the right to examine any directly pertinent books, documents, papers, and records of such subcontractor, involving transactions related to the subcontract. The term "subcontract" as used in this Article excludes (i) purchase orders not exceeding \$2,500 and (ii) subcontracts or purchase orders for public utility services at rates established for uniform applicability to the general public.

(c) Nothing in this contract shall be deemed to preclude an audit by the General Accounting Office of any transaction under this contract."

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8. ARTICLE XXIV - SAFETY, HEALTH AND FIRE PROTECTION, is deleted and there is substituted therefor a new Article XXIV reading as follows:

"ARTICLE XXIV - CONVICT LABOR

In connection with the performance of work under this contract, the Contractor agrees not to employ any person undergoing sentence of imprisonment at hard labor."

9. Paragraphs 4 and 5 of Exhibit A are amended to read as follows:

"4. Estimated Service Requirements

normal	1960	350,000 gallons per day (average)
	1970	750,000 gallons per day (average)
	1975	1,000,000 gallons per day (average)
emergency	(fire)	1,500,000 gallons per day (maximum)

5. Meter Requirements

normal rate of flow	1350 gpm
maximum rate of flow	2000 gpm
maximum pressure	150 psi"

Except as hereinabove provided, all terms and conditions of Contract No. AT(04-3)-269 shall continue in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this SUPPLEMENTAL AGREEMENT as of day and year first above written.

APPROVED AS TO FORM:

Thomas M. O'Connor
City Attorney

By: William F. James
Public Utilities Counsel

THE UNITED STATES OF AMERICA

BY: [Signature]
San Francisco Operations Office
U. S. Atomic Energy Commission

THE CITY AND COUNTY OF SAN FRANCISCO
BY ITS PUBLIC UTILITIES COMMISSION

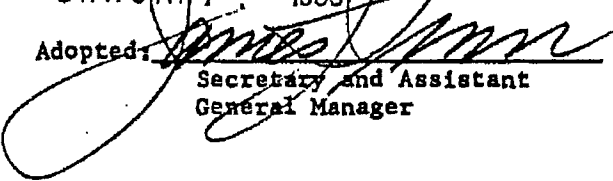
BY: [Signature]
General Manager of Public Utilities

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I, James K. Carr, certify that I am General Manager of Public Utilities of the City and County of San Francisco, named as Contractor in the foregoing contract; that I have duly signed and executed said contract for and on behalf of said Contractor as duly authorized by law and by the Charter of the City and County of San Francisco and that said contract is within the scope of the corporate powers of the City and County of San Francisco, a Municipal Corporation duly organized and existing under and by virtue of the laws of the State of California.


(General Manager of Public Utilities)

ATTEST:
Authorized by Public Utilities
Commissioner Resolution No. 69-0001

JANUARY 7 1969
Adopted: 
Secretary and Assistant
General Manager

975453

LEGISLATION RECEIVED CHECKLIST

Date 2/2/15 File Number (if applicable) _____

- Legislation for Introduction (NEW) ▶▶▶ Legislative Clerk
- Legislation Pending in Committee (AMENDED) ▶▶▶ Committee Clerk
- Legislation for Board Agenda (AMENDED) ▶▶▶ Deputy Clerk

Supervisor, Mayor, and Departmental Submittals

Grant Ordinance

- Legislation:** Original, 1 hard copy, and 1 electronic copy in **Word** format
- Signature:** Department Head, Mayor or the Mayor's designee, plus the Controller
- Supporting documents:** 1 full set, and separate **pdf** copies of each in email
 - Cover letter (original)
 - Grant budget/application
 - Grant information form, including signed disability checklist
 - Letter of Intent or grant award letter from funding agency
 - Contract, Leases/Agreements (if applicable)
 - Ethics Form 126 (if applicable) in **Word** format
 - Other support documents as identified in the cover letter and legislation
- E-Copy of legislation/supporting documents: Sent to BOS.Legislation@sfgov.org**

Ordinance

- Legislation:** Original, 1 hard copy, and 1 electronic copy in **Word** format
- Signature:** City Attorney (For Settlement of Lawsuits - City Attorney, Department Head, Controller, Commission Secretary)
- Supporting documents:** 1 full set, and separate **pdf** copies of each in email
 - Cover letter (original)
 - Settlement Report/Agreement (for settlements)
 - Other support documents as identified in the cover letter and legislation
- E-Copy of legislation/supporting documents: Sent to BOS.Legislation@sfgov.org**

Grant Resolution

- Legislation:** Original, 1 hard copy, and 1 electronic copy in **Word** format
- Signature:** Department Head, Mayor or the Mayor's designee, plus the Controller
- Supporting documents:** 1 full set, and separate **pdf** copies of each in email
 - Cover letter (original)
 - Grant budget/application
 - Grant information form, including signed disability checklist
 - Letter of Intent or grant award letter from funding agency
 - Contract, Leases/Agreements (if applicable)
 - Ethics Form 126 (if applicable) in **Word** format
 - Other support documents as identified in the cover letter and legislation
- E-Copy of legislation/supporting documents: Sent to BOS.Legislation@sfgov.org**

Resolution

- Legislation:** Original, 1 hard copy, and 1 electronic copy in **Word** format
- Signature:** None Note: Required for Settlement of Claims - City Attorney, Department Head, Controller, Commission Secretary)
- Supporting documents:** 1 full set, and separate **pdf** copies of each in email
 - Cover letter (original)
 - Settlement Report/Agreement (for settlements)
 - Other support documents as identified in the cover letter and legislation
- E-Copy of legislation/supporting documents: Sent to BOS.Legislation@sfgov.org**

Kristen Wraith 554-0758
Name and Telephone Number

SFPUC-External Affairs
Department

