

File No. 111308

Committee Item No. 5
Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS
AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee

Date: January 4, 2012

Board of Supervisors Meeting

Date _____

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget & Legislative Analyst Report |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Ethics Form 126 |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form (for hearings) |
| <input checked="" type="checkbox"/> | <input 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 |
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| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |

OTHER

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|-------------------------------------|--------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | **Ground Lease (Chevron Pipeline Company) |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | **Final Environmental Impact Report (July 2004) SCH No. 2002072028 |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | ** Alameda Resolution No. R-2005-209 |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | ** Mitigation Monitoring and Rereporting Plan |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |
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Completed by: Victor Young

Date: December 30, 2011

Completed by: Victor Young

Date: _____

An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document is in the file.

1 [Real Property Lease - San Antonio Reservoir to Chevron Pipe Line Company]

2
3 **Resolution: 1) authorizing the General Manager of the San Francisco Public Utilities**
4 **Commission to execute a twenty-year lease for an approximately 11.73 acre pipeline**
5 **right of way near the San Antonio Reservoir in Alameda County to Chevron Pipe Line**
6 **Company at an initial rent of \$12,500 per year; 2) adopting environmental findings; and**
7 **3) authorizing other actions in furtherance of this Resolution.**

8
9 WHEREAS, The San Francisco Public Utilities Commission (SFPUC), and Chevron
10 Pipe Line Company, a Delaware corporation (Chevron), entered into that certain lease dated
11 as of April 11, 1967, as amended by an amendment dated as of July 21, 1975 (1967 Lease),
12 relating to a pipeline for oil, gas, and petroleum products over certain watershed property
13 (Original Premises) in the vicinity of the San Antonio Reservoir; and,

14 WHEREAS, The 1967 Lease expired on June 1, 1985, and when SFPUC and Chevron
15 were unable to agree to the terms of a new lease, SFPUC filed an unlawful detainer action
16 against Chevron and Chevron filed an eminent domain action for the Original Premises; and,

17 WHEREAS, SFPUC and Chevron settled such legal actions in 2001 and entered into
18 an eight year lease dated as of October 9, 2001 (2001 Lease); and,

19 WHEREAS, The 2001 Lease required Chevron to abandon the portion of the Chevron
20 pipeline on the Original Premises closest to the San Antonio Reservoir (Removal Portion) and
21 install a replacement pipeline on SFPUC property (Replacement Portion) that was adjacent to
22 the Original Premises and farther from the San Antonio Reservoir by December 1, 2008; and,

23 WHEREAS, The 2001 Lease specified that SFPUC would enter into good faith
24 negotiations with Chevron for a new pipeline lease if Chevron timely abandoned the Removal
25 Portion and installed the Replacement Portion; and,

1 WHEREAS, Chevron timely abandoned the Removal Portion and installed the
2 Replacement Portion, and SFPUC and Chevron amended the 2001 Lease under a First
3 Amendment to Ground Lease dated as of June 1, 2007 (2007 Amendment) to modify the
4 Original Premises by deleting the Removal Portion and adding the Replacement Portion
5 (Modified Premises); and,

6 WHEREAS, The 2001 Lease Agreement, as amended by the 2007 Amendment,
7 expired on December 1, 2009, and Chevron currently occupies the Modified Premises on a
8 holdover month-to-month tenancy; and,

9 WHEREAS, As required under the 2001 Lease, SFPUC has held good faith
10 negotiations with Chevron for a new lease for the Modified Premises; and,

11 WHEREAS, In 2007, the City's consultant, Economic & Planning Systems determined
12 the fair market rental value of the Premises is \$3,700 per year and in 2011, Economic &
13 Planning Systems confirmed that they have no reason "to conclude that more recent land
14 transaction data, based on transactions since 2006, would indicate an increase in values";
15 and,

16 WHEREAS, SFPUC and Chevron have negotiated a new twenty-year lease for the
17 Modified Premises, with an initial rent of \$12,500 per year and three SFPUC options to
18 readjust the rent to fair market rent, all on the terms and conditions set forth in the form of
19 lease on file with the Clerk of the Board of Supervisors in File No. 111308 and incorporated
20 herein by reference (Lease); and,

21 WHEREAS, The Chevron Pipeline Relocation and Watershed Protection Project
22 (Project) consists of relocation and replacement of an existing 7.5-mile section of a liquid fuel
23 pipeline to reduce the risk of water supply contamination in the San Antonio Reservoir
24 watershed; and,

25

1 WHEREAS, On August 2, 2004, the Alameda County Planning Commission, acting as
2 lead agency under the California Environmental Quality Act (CEQA), certified a Final
3 Environmental Impact Report (FEIR) for the Project dated July 2004, and the State
4 Clearinghouse Number for the FEIR is 2002072028, a copy of which is on file with the Clerk of
5 the Board of Supervisors in File No. 111308 and is incorporated herein by reference; and,

6 WHEREAS, On May 26, 2005, under Resolution Number R-2005-209, the Alameda
7 County Board of Supervisors upheld certification of the FEIR by the Alameda County Planning
8 Commission and approved the Mitigation Monitoring Reporting Program (MMRP), adopting all
9 mitigation measures proposed in the FEIR as part of the MMRP and determining that the
10 Project, as described in the FEIR, would result in significant environmental effect that could be
11 mitigated to a less than significant level with implementation of the MMRP (Alameda County
12 FEIR Findings), a copy of which is on file with the Clerk of the Board of Supervisors in File No.
13 111308 and is incorporated herein by reference; and,

14 WHEREAS, In approving the Lease on October 25, 2011, SFPUC found that the
15 approval of the Lease was within the scope of the Project, the FEIR and the MMRP, and
16 SFPUC relied on the FEIR and adopted the Alameda County FEIR Findings and MMRP as its
17 own and adopted additional findings that there was no new information or new circumstances
18 requiring subsequent environmental analysis, all under Resolution No. 11-0181, a copy of
19 which is on file with the Clerk of the Board of Supervisors in File No. 111308 and is
20 incorporated herein by reference; now, therefore, be it

21 RESOLVED, That this Board of Supervisors, as a Responsible Agency under
22 CEQA, hereby adopts and incorporates herein by this reference the Alameda County FEIR
23 Findings and MMRP, and the additional environmental findings of SFPUC in its Resolution
24 No. 11-0181, as its own, for the same reasons set forth in that SFPUC Resolution; and, be
25 it

1 FURTHER RESOLVED, That this Board of Supervisors finds that since the adoption
2 of the CEQA Findings under SFPUC Resolution No. 11-0181, there have been no
3 substantial project changes and no substantial changes in the project circumstances that
4 would require major revisions to the FEIR due to the involvement of new significant
5 environmental effects or an increase in the severity of previously identified significant
6 impacts, and there is no new information of substantial importance that would change the
7 conclusions set forth in the FEIR; and, be it

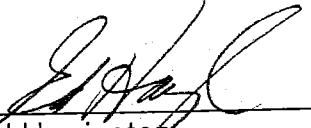
8 FURTHER RESOLVED, That the Board of Supervisors hereby approves the Lease
9 and authorizes the General Manager of the San Francisco Public Utilities Commission to
10 execute the Lease with Chevron for a twenty-year term; and be it

11 FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the General
12 Manager of SFPUC to enter into any amendments or modifications to the Lease, including
13 without limitation, any exhibits, that the General Manager determines, in consultation with the
14 City Attorney, are in the best interest of the City, do not materially increase the obligations of
15 the City, do not materially decrease the benefits to the City, are necessary or advisable to
16 consummate the performance of the purposes and intent of this Resolution, and comply with
17 all applicable laws, including the City's Charter; and be it

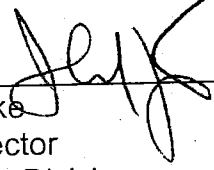
18 FURTHER RESOLVED, That all actions authorized by this Resolution and heretofore
19 taken by any City official in connection with the Lease are hereby ratified, approved and
20 confirmed by the Board of Supervisors.

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RECOMMENDED:



Ed Harrington
General Manager, SFPUC



John Updike
Acting Director
Real Estate Division



RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO

2011 DEC -2 AM 11:28



John Updike
Acting Director of Real Estate

November 28, 2011

SFPUC/Chevron
Parcel 65, Alameda County
Assignment #6605
Lease of Real Property

Through Amy Brown,
Acting City Administrator

Honorable Board of Supervisors
City and County of San Francisco
City Hall, Room 244
1 Carlton B. Goodlett Place
San Francisco, CA 94102

Dear Board Members:

Attached for your consideration is a Resolution authorizing the lease between Chevron Pipe Line Company (Chevron) as tenant and the City and County of San Francisco, acting by and through its Public Utilities Commission (SFPUC), as landlord, for a pipeline right of way through the San Antonio Reservoir watershed in Alameda County to operate, maintain and repair an existing eight-inch petroleum products pipeline for the transmission of oil, gas and petroleum products.

The San Antonio Reservoir is located in Alameda County, California, about three miles east-southeast of Sunol. The reservoir was built in 1964 by the City by damming San Antonio Creek not far above where it flows into Alameda Creek. The San Antonio Reservoir's purpose is to store water from the Hetch Hetchy Aqueduct and local wells and watersheds. The reservoir has a water capacity of 50,500 acre feet and it is not open to the public.

The proposed premises is comprised of approximately 11.73 acres and is approximately 5.4 miles in length and varies in width between twenty feet and forty feet. The premises is a portion of Parcel 65 in Sunol, California (Alameda County). The pipeline located within the premises is part of a 46-mile pipeline network that extends from Livermore to San Jose which is owned and operated by Chevron. This pipeline is one of the principal suppliers of refined petroleum products to the South Bay area.

In 1967, Chevron entered into a lease with the SFPUC for this pipeline. The 1967 lease expired on June 1, 1985. When the two parties could not agree on renewal lease terms, the SFPUC filed an unlawful detainer action against Chevron, and Chevron filed an eminent domain action.

Chevron and the SFPUC settled these legal actions in 2001 and entered into an eight-year lease (2001 Lease) that required Chevron to abandon the portion of the pipeline (Removal Portion) closest to the San Antonio Reservoir and install a replacement pipeline (Replacement Portion)

farther from the watershed by December 1, 2008. The 2001 Lease also required the SFPUC to enter into good faith negotiations with Chevron for a new pipeline lease if Chevron timely abandoned the Removal Portion and installed the Replacement Portion. Chevron did timely abandon the Removal Portion and install the Replacement Portion.

The 2001 Lease expired on December 1, 2009 and Chevron is currently on a holdover month-to-month tenancy at a rental rate of \$12,276.00 per year.

As required under the 2001 Lease, the SFPUC has negotiated the proposed lease in good faith with Chevron. On May 2, 2007, an independent appraiser (Economic & Planning Systems or EPS) determined that the fair market rental rate for the Premises is \$3,700 per year. In 2011, Economic & Planning Systems confirmed that due to the recession and drop in both transactions and prices, EPS has no reason to conclude that a reappraisal would result in a higher value.

The proposed lease term is for 20 years, commencing upon lease execution. The proposed lease rent is \$12,500 per year (or approximately \$1065.64 per acre). The proposed rent increases annually by the Consumer Price Index (CPI), and SFPUC has three (3) options to readjust rent to "Fair Market Rent" after the fifth (5th), tenth (10th), and fifteenth (15th) year of the term.

For California Environmental Quality Act (CEQA) review, the Alameda County Planning Commission (Alameda Planning Commission), acting as lead agency under CEQA, certified a Final Environmental Impact Report (FEIR) dated July 2004 for the Chevron Pipeline Relocation and Watershed Protection Project (Chevron Pipeline Project) on August 2, 2004. On May 26, 2005, under Resolution Number R-2005-209 (Alameda CEQA Resolution), the Alameda County Board of Supervisors upheld such FEIR certification and approved the Mitigation Monitoring and Reporting Program (MMRP) and Alameda County General Plan Conformance Determination. Copies of the FEIR, MMRP and the Alameda CEQA Resolution are on file with the Clerk of the Board.

Under SFPUC Resolution 11-0181, adopted by the SFPUC on October 25, 2011, a copy of which is on file with the Clerk of the Board, SFPUC found that the proposed lease is within the scope of the Chevron Pipeline Project and the FEIR and no substantial changes in facts or circumstances required major revisions to the FEIR or changed the FEIR conclusions. The SFPUC accordingly adopted and incorporated by reference all CEQA findings set forth in Alameda CEQA Resolution in approving the proposed lease. SFPUC staff and the Real Estate Division also recommend approval of the proposed lease.

If you have any questions regarding this matter, please contact Rosanna Russell, SFPUC Real Estate Director, at 487-5213.

Sincerely,



John Updike
Acting Director of Real Estate

cc. Ed Harrington, General Manager, SFPUC
Rosanna Russell, SFPUC
Carol Wong, City Attorney's Office

PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. 11-0181

WHEREAS, the San Francisco Public Utilities Commission ("SFPUC"), and Chevron Pipe Line Company, a Delaware corporation ("Chevron"), entered into that certain lease dated as of April 11, 1967, as amended by an amendment dated as of July 21, 1975 ("1967 Lease"), relating to a pipeline for oil, gas, and petroleum products over certain watershed property (the "Original Premises") in the vicinity of the San Antonio Reservoir; and

WHEREAS, the 1967 Lease expired on June 1, 1985, and when SFPUC and Chevron were unable to agree to the terms of a new lease, SFPUC filed an unlawful detainer action against Chevron and Chevron filed an eminent domain action for the Original Premises; and,

WHEREAS, the SFPUC and Chevron settled such legal actions in 2001 and entered into an eight-year Ground Lease dated as of October 9, 2001 (the "2001 Lease"); and

WHEREAS, the 2001 Lease required Chevron to abandon the portion of the Chevron pipeline closest to the San Antonio Reservoir ("Removal Portion") and install a replacement pipeline on SFPUC property ("Replacement Portion") that was adjacent to the Original Premises and farther from the San Antonio Reservoir by December 1, 2008; and

WHEREAS, the 2001 Lease specified that SFPUC would enter into good faith negotiations with Chevron for a new pipeline lease if Chevron timely abandoned the Removal Portion and installed the Replacement Portion; and

WHEREAS, Chevron timely abandoned the Removal Portion and installed the Replacement Portion, and SFPUC and Chevron amended the 2001 Lease under a First Amendment to Ground Lease dated as of June 1, 2007 ("2007 Amendment") to modify the Original Premises by deleting the Removal Portion and adding the Replacement Portion ("Modified Premises"); and,

WHEREAS, the 2001 Lease Agreement, as amended by the 2007 Amendment, expired on December 1, 2009, and Chevron currently occupies the Modified Premises on a holdover month to month tenancy; and

WHEREAS, as required under the 2001 Lease, SFPUC has held good faith negotiations with Chevron for a new lease for the Modified Premises; and

WHEREAS, the SFPUC and Chevron have negotiated a new twenty-year lease for the Modified Premises, with an initial rent of \$10,000 per year (Modified Premises Lease); and

WHEREAS, on August 2, 2004, the Alameda County Planning Commission ("Alameda County Planning"), acting as lead agency under CEQA, certified a Final Environmental Impact Report ("FEIR") dated July 2004 for the Chevron Pipeline Relocation and Watershed Protection Project ("Chevron Pipeline Project"). The State Clearinghouse Number for the FEIR is 2002072028; and

WHEREAS, the City and County of San Francisco ("CCSF"), acting by and through its Public Utilities Commission ("SFPUC"), as a responsible agency under the California Environmental Quality Act (Cal. Pub. Res. Code Section 21000 et seq., hereinafter "CEQA"), hereby adopts the following findings of fact and law under CEQA, the State CEQA Guidelines (Cal. Admin. Code Title 14, Section 15000 et seq., hereinafter "CEQA Guidelines"), and Chapter 31 of the San Francisco Administrative Code in conjunction with its approval of the Modified Premises Lease by and between the CCSF, acting through the SFPUC, and Chevron Pipe Line Company ("Chevron"); and

WHEREAS, On May 26, 2005 under Resolution Number R-2005-209, the Alameda County Board of Supervisors upheld the FEIR certification and approved the Mitigation Monitoring and Reporting Program (MMRP) and Alameda County General Plan Conformance Determination; and

WHEREAS, the 2005 Chevron Pipeline Project consisted of relocation and replacement of an existing 7.5-mile section of a liquid fuel pipeline to reduce the risk of water supply contamination in the SFPUC San Antonio Reservoir watershed. The proposed replacement pipeline would be located outside of the primary San Antonio Reservoir watershed and the existing pipeline would be cleaned of all fuel residues and would be sealed to prevent potential future contamination. The Chevron Pipeline Project resulted in temporary and permanent impacts for which mitigation was identified in the FEIR and required by the Alameda County Board of Supervisors in connection with approval of the Chevron Pipeline Project; and

WHEREAS, the FEIR evaluated three project alternatives including the preferred "Project" alignment, a "no project" alternative and a "Southern Alignment Alternative". The FEIR determined both the "Project" and the "Southern Alignment Alternative" would be "environmentally superior" alternatives; and

WHEREAS, to implement the Chevron Pipeline Project, Chevron was required to implement the mitigation measures (conditions of approval) identified in the MMRP. Many such mitigation measures must be or have already been implemented by Chevron and/or its construction contractors on sites located on CCSF lands within the SFPUC Alameda Watershed. Alameda County adopted all mitigation measures as part of the MMRP; and

WHEREAS, the Chevron Pipeline Project described in the FEIR and as approved by the Alameda County Board of Supervisors was determined to result in significant environmental effects that could be mitigated to a less than significant level with implementation of the MMRP. Alameda County Board of Supervisors adopted all mitigation measures proposed in the FEIR as part of the MMRP. Therefore, findings of overriding consideration were not adopted by the Alameda County Board of Supervisors and need not be adopted by this Commission; and

WHEREAS, the FEIR has been made available for review by the SFPUC and the public. The SFPUC, as a responsible agency under CEQA, has considered the FEIR for the Chevron Pipeline Project, including the environmental effects of the Chevron Pipeline Project set forth therein. The FEIR, the MMRP and Alameda County Board of Supervisors Resolution R 2005-209 may be found in the SFPUC files for this matter and are available for public review at the SFPUC offices, Real Estate Services Division, 1145 Market Street, 7th Floor, which is the

custodian of records for the Modified Premises Lease approval; and

WHEREAS, the SFPUC finds that this approval is within the scope of the Chevron Pipeline Project and mitigation evaluated in the FEIR, and that the FEIR is adequate for its use in approving the Modified Premises Lease for the project; and

WHEREAS, the SFPUC has not identified any feasible alternative or additional feasible mitigation measures within its powers that would substantially lessen or avoid any significant effect the Chevron Pipeline Modified Premises Lease would have on the environment; and

WHEREAS, the Alameda County Board of Supervisors has already adopted the mitigation measures recommended in the FEIR, has authority to implement the mitigation measures or to seek any required approvals for the mitigation measures, and the SFPUC has no direct authority or responsibility to implement the mitigation measures other than Chevron's request and the SFPUC authorization to approve the Modified Premises Lease and to enable Chevron through approval of the Permits to maintain and monitor the safety and operation of the pipeline; now, therefore, be it

RESOLVED, that this Commission hereby incorporates by reference as though fully set forth herein Alameda County Board of Supervisors Resolution R 2005-209, including the CEQA findings and MMRP. Without limitation, this Commission specifically adopts and incorporates by reference as though fully set forth herein all findings made pursuant to CEQA set forth in Alameda County Board of Supervisors Resolution R 2005-209 and its attachments, including findings under CEQA Guidelines Section 15091. Alameda County Board of Supervisors Resolution R 2005-209, including the CEQA findings and MMRP, is a part of the record of this approval; and be it

FURTHER RESOLVED, that this Commission finds that since the FEIR was finalized, there have been no substantial Chevron Pipeline Project changes and no substantial changes in Chevron Pipeline Project circumstances that would require major revisions to the FEIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the FEIR; and, be it

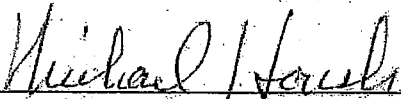
FURTHER RESOLVED, that this Commission hereby approves the terms and conditions of the twenty-year lease (the "Modified Premises Lease") as lessor with Chevron, for pipeline right of way premises comprised of approximately 11.73 acres, varying in width between twenty feet and forty feet near the San Antonio Reservoir, and authorizes the General Manager of the Public Utilities to request the Director of the Real Estate Division, Office of the City Administrator, to prepare and submit necessary legislation to the Board of Supervisors for approval of said twenty-year Modified Premises Lease; and, be it

FURTHER RESOLVED, that this Commission hereby ratifies, approves and authorizes all actions heretofore taken by any City official in connection with the Modified Premises Lease;

and, be it

FURTHER RESOLVED, that, if the Board of Supervisors approves the Modified Premises Lease, this Commission hereby authorizes and directs the General Manager of the San Francisco Public Utilities Commission to execute the Modified Premises Lease with Chevron and to enter into any amendments or modifications, including without limitation, the exhibits, that the General Manager determines, in consultation with the City Attorney: are in the best interest of the City; do not decrease the rent or otherwise materially increase the obligations or liabilities of the City; are necessary or advisable to effectuate the purposes and intent of the lease or this resolution; and are in compliance with all applicable laws, including the City Charter.

I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of _____ October 25, 2011



Secretary, Public Utilities Commission

SAN FRANCISCO PUBLIC UTILITIES COMMISSION

EDWIN M. LEE, MAYOR

GROUND LEASE

between

CITY AND COUNTY OF SAN FRANCISCO,
as Landlord

and

CHEVRON PIPE LINE COMPANY,
as Tenant

For the lease of

Certain Property in Alameda County

November 16, 2011

PUBLIC UTILITIES COMMISSION

Anson Moran – President
Senator Art Torres – Vice President
Ann Moller Caen – Commissioner
Francesca Vietor – Commissioner
Vince Courtney – Commissioner

Ed Harrington
General Manager of Public Utilities Commission

** Complete copy of document is
located in

File No. 111308

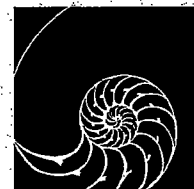
FINAL
ENVIRONMENTAL IMPACT REPORT

CHEVRON PIPELINE RELOCATION
AND
WATERSHED PROTECTION PROJECT

SCH No. 2002072028

Alameda County
Planning Department

Prepared by:



Lamphier-Gregory
1944 Embarcadero
Oakland, CA 94606

July 2004

** Complete copy of document is
located in

File No. 111308

THE FOLLOWING RESOLUTION WAS ADOPTED

NUMBER R-2005-209

APPEAL OF FOLEY RANCH FROM THE DETERMINATION OF THE PLANNING COMMISSION THAT THE PROPOSED CHEVRON PIPELINE RELOCATION AND WATERSHED PROTECTION PROJECT IS IN CONFORMANCE WITH THE ALAMEDA COUNTY GENERAL PLAN, SUBJECT TO 71 CONDITIONS OF APPROVAL, AND THE CERTIFICATION BY THE PLANNING COMMISSION OF THE FINAL ENVIRONMENTAL IMPACT REPORT (FEIR) FOR SAID PROJECT.

WHEREAS in the year 2002, Chevron Pipeline Company did propose to Alameda County to relocate a liquid petroleum products pipeline from its present location, extending generally from Sycamore Grove Regional Park south of the City of Livermore to a point near Calaveras Road east of the community of Sunol, through the Vallecitos Valley south of State Route 84 and partly through lands owned by the San Francisco Public Utilities Commission (SFPUC), to a new location with the same endpoints but parallel to, and north of the existing right-of-way to one of two (2) new rights-of-way that would avoid lands of the SFPUC and reduce inherent risk of product spillage or escape to the SFPUC's San Antonio Reservoir (numerous Assessor's Parcel Numbers, including 096-0360-05-02, 096-0360-003-02, 096-0360-001-06, 096-0365-003-02, 096-0365-005, 096-0365-007-01, 099-500-001-3, 099-500-001-5, 099-500-003-10, 099-500-003-11, 099-500-003-13, 099-0525-001-01, 099-1354-003, and two others of uncertain APN but owned by the San Francisco Public Utilities Commission (SFPUC), located on lands in the A-Agricultural district) and

WHEREAS Chevron Pipeline Company did subsequently make application to and did request from the Alameda County Planning Commission a Determination of General Plan Conformance for this project; and

WHEREAS the existing pipeline through the region was constructed by Chevron in the 1960's to effectively transport large quantities of liquid fuel products from its refinery in Contra Costa County to a location near the San Jose International Airport without the use of tanker trucks or other highway vehicles; and

WHEREAS the record of safety for the affected segment of pipeline indicates that no pipeline failures or significant unintended releases of liquid product have occurred since operation began, the proposed relocation was nonetheless deemed in concept to be appropriate by both the SFPUC and the Chevron Pipeline Company in their lease agreement of the year 2001, for the purposes of protection of water resources, specifically the open waters of San Antonio Reservoir, which are considered by the SFPUC to be most vulnerable to possible contamination in the event of pipeline failure, and near which the existing pipeline is located; and

WHEREAS by virtue of the legal requirement to determine consistency and conformance with the local General Plan, the Alameda County Community Development Agency is the Lead Agency for approval of this proposal; and

WHEREAS the Alameda County Planning Commission is the primary decisionmaking body for determinations of General Plan Conformance; and

WHEREAS the general and specific characteristics of the proposal described in this application were compared and analyzed with the respect to the applicable policies of the Alameda County General Plan, specifically including the East County Area Plan, and the proposal was found in all particulars to conform to the policies of the General Plan; and

WHEREAS this application was been subject to, and publicly reviewed in accordance with, provisions of the California Environmental Quality Act (CEQA), California Public Resources Code, Division 13, Sections 21000 et seq., and the Guidelines for California Environmental Quality Act, California Code of Regulations, Title 14, Chapter 3, Sections 15000-15387, and an Environmental Impact Report was prepared in accordance with, and circulated in a manner prescribed by law, and public comments thereto were addressed and, where appropriate, responded to by

** Complete copy of document is
located in

File No. 111368

CHEVRON PIPELINE RELOCATION AND WATERSHED PROTECTION PROJECT MITIGATION MONITORING AND REPORTING PLAN

LAND USE AND PLANNING POLICY

POTENTIALLY SIGNIFICANT IMPACT

Impact 2-1: Without proper coordination the proposed pipeline relocation Project could conflict with the Sycamore Grove and Veterans Regional Park RMP; this would be a *potentially significant impact*.

Discussion: Due to the sensitivity of Sycamore Grove and Veterans Regional Park's resources and its importance as a public and environmental amenity, lack of proper coordination has the potential to cause significant public and environmental damage in the event of a pipeline failure. Implementation of the following mitigation measures would ensure adequate coordination with RMP Coordination Policies to ensure that potential impacts associated with construction-related activities and ongoing pipeline maintenance can be reduced to a level of less than significant.

MITIGATION MEASURES

- MM 2-1a** Prior to the beginning of construction activities, the Applicant shall comply with all coordination policies of the Sycamore Grove and Veterans Regional Park Resource Management Plan, including COORD 9, 13, and 14 and LARPD's Standard Details and Specifications.
- MM 2-1b** Prior to the beginning of construction activities, the Applicant shall submit to all affected and interested agencies a construction plan with an approximate time-table and construction phase information.

IMPLEMENTATION/MONITORING METHOD

Prior to construction, the Project Applicant shall submit a construction plan and time-table to LARPD for review, so that both the Project Applicant and LARPD can coordinate any activities as necessary to avoid potential conflicts. Once construction has been completed, LARPD will inform the Project Applicant of any activities that may have the potential to disturb the underground pipeline, and the Project Applicant will inform LARPD of any disturbance to park resources that may be required within the easement for ongoing pipeline maintenance.

FORM SFEC-126:
NOTIFICATION OF CONTRACT APPROVAL
(S.F. Campaign and Governmental Conduct Code § 1.126)

City Elective Officer Information <i>(Please print clearly.)</i>	
Name of City elective officer(s): Members, Board of Supervisors	City elective office(s) held: Members, Board of Supervisors
Contractor Information <i>(Please print clearly.)</i>	
Name of contractor: Chevron Pipe Line Company	
<i>Please list the names of (1) members of the contractor's board of directors; (2) the contractor's chief executive officer, chief financial officer and chief operating officer; (3) any person who has an ownership of 20 percent or more in the contractor; (4) any subcontractor listed in the bid or contract; and (5) any political committee sponsored or controlled by the contractor. Use additional pages as necessary.</i>	
Dolores C Barnhill, Director and Sr. VP Asset Management James M. Barnum, Director Randall L. Curry, Director and President Amzy Hibler, Director and VP Finance Brian Patterson Director Brendan M. Rogers, Director Telisa Toliver, Director Paul Bennett, Treasurer	
Contractor address: 6001 Bollinger Canyon Road, San Ramon, CA 94583-2324	
Date that contract was approved: <i>(By the SF Board of Supervisors)</i>	Amount of contract: \$12,500 annual, with CPI increases every year and a rental rate re-appraisal every 5 years.
Describe the nature of the contract that was approved: Twenty-year lease for pipeline right of way premises to operate and maintain a petroleum products pipeline located in Sunol, California.	
Comments:	

This contract was approved by (check applicable):

the City elective officer(s) identified on this form

a board on which the City elective officer(s) serves: San Francisco Board of Supervisors
Print Name of Board

the board of a state agency (Health Authority, Housing Authority Commission, Industrial Development Authority Board, Parking Authority, Redevelopment Agency Commission, Relocation Appeals Board, Treasure Island Development Authority) on which an appointee of the City elective officer(s) identified on this form sits

Print Name of Board

Filer Information <i>(Please print clearly.)</i>	
Name of filer: Angela Calvillo, Clerk of the Board	Contact telephone number: (415) 554-5184
Address: City Hall, Room 244, 1 Dr. Carlton B. Goodlett Pl., San Francisco, CA 94102	E-mail: Board.of.Supervisors@sfgov.org

Signature of City Elective Officer (if submitted by City elective officer)

Date Signed

Signature of Board Secretary or Clerk (if submitted by Board Secretary or Clerk)

Date Signed

