

1 [Davis Substation Electrical Interconnection Agreement with the Port of Oakland]

2 **RESOLUTION AUTHORIZING THE TREASURE ISLAND DIRECTOR TO EXECUTE AN**  
3 **ELECTRICAL INTERCONNECTION AGREEMENT WITH THE PORT OF OAKLAND FOR**  
4 **THE USE OF THE DAVIS SUBSTATION.**

5 WHEREAS, Former Naval Station Treasure Island is a military base located on  
6 Treasure Island and Yerba Buena Island (together, the "Base"), which is currently owned by  
7 the United States of America, acting by and through the Department of the Navy; and,

8 WHEREAS, The Base was selected for closure and disposition by the Base  
9 Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its  
10 subsequent amendments; and,

11 WHEREAS, The City and County of San Francisco (the "City") and the United States  
12 Department of the Navy ("Navy") executed the Base Caretaker Cooperative Agreement on  
13 March 12, 1997, which has been amended from time to time (the "Cooperative Agreement"),  
14 for the management and operation of Treasure Island and Yerba Buena Island ("TI/YBI"), and  
15 in November 1998, the San Francisco Board of Supervisors adopted Resolution No. 938-98  
16 authorizing the Treasure Island Development Authority ("TIDA") to enter into the Cooperative  
17 Agreement with the Navy and to assume responsibility for certain caretaker duties at TI/YBI  
18 including the operation, maintenance and repair of the Navy's utility systems; and

19 WHEREAS, The Cooperative Agreement includes various Functional Annexes that  
20 describe in detail the caretaker duties for which TIDA is responsible under the Cooperative  
21 Agreement, among which Functional Annex 6 - Utilities Services describes the operation and  
22 maintenance of the utility systems and the delivery of utilities to the occupants and users of  
23 TI/YBI; and

1           WHEREAS, Pursuant to the terms of the Cooperative Agreement, the San Francisco  
2 Public Utilities Commission ("SFPUC") has performed TIDA's responsibilities under Functional  
3 Annex 6 – Utilities Services – since 1997, including, without limitation, the operation and  
4 maintenance of the utility systems and the delivery of utilities services to TI/YBI; and,

5           WHEREAS, The San Francisco Public Utilities Commission ("SFPUC") purchases low-  
6 cost Federal National Defense Act ("NDA") power from the U.S Department of Energy's  
7 Western Area Power Administration ("WAPA") to provide electric service to Treasure Island  
8 and Yerba Buena Island ("TI/YBI"); and

9           WHEREAS, In 1998, the SFPUC entered into an interconnection agreement with the  
10 Port of Oakland to deliver WAPA power to Treasure Island via the Davis Substation, an  
11 electric transmission facility owned and operated by the Port of Oakland, where power is  
12 metered and transformed for use at TI/YBI; and

13           WHEREAS, The 1998 Interconnection Agreement expires with the conveyance o  
14 TI/YBI from the Navy to the City; and

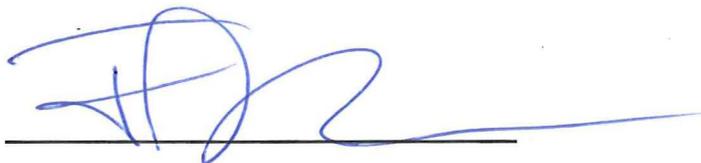
15           WHEREAS, The proposed Interconnection Agreement IA provides for the continued  
16 use and sharing of at least one-third of the capacity of the Davis Substation and a point of  
17 delivery for the low-cost WAPA power to TI/YBI for a period of 20-years and annual charge of  
18 \$125,000 with an annual escalation based on the San Francisco Area Consumer Price Index,  
19 and the payment of \$567,792 for uncollected operation and maintenance charges by the Port  
20 of Oakland; now, therefore, be it

21           RESOLVED, That the Authority Board of Directors approves the Interconnection  
22 Agreement between TIDA and the Port of Oakland for the use of its Davis electric  
23 transmission substation in Oakland, California and as a point of delivery for the low-cost  
24 Federal NDA power supplied by the Western Area Power Administration to TI/YBI in  
25 substantially the form on file with the Board Secretary; and, be it

1 FURTHER RESOLVED, That the Authority Board of Directors authorizes the Treasure  
2 Island Director to enter into any additions, amendments or other modifications to the  
3 Easement Relocation Agreement that the Treasure Island Director determines, following  
4 consultation with the City Attorney, are in the best interests of the City, that do not materially  
5 increase the obligations or liabilities of the TIDA, that do not materially reduce the rights of the  
6 TIDA, and are necessary or advisable to complete the transactions contemplated by the  
7 Memorandum of Understanding, such determination to be conclusively evidenced by the  
8 execution and delivery by the Treasure Island Director of the documents.

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11 **CERTIFICATE OF SECRETARY**

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13 **I hereby certify that I am the duly elected Secretary of the Treasure Island**  
14 **Development Authority, a California nonprofit public benefit corporation, and that the**  
15 **above Resolution was duly adopted and approved by the Board of Directors of the**  
16 **Authority at a properly noticed meeting on January 15, 2015.**

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20 **Jean-Paul Samaha, Secretary**