

File No. 211227

Committee Item No. 1

Board Item No. \_\_\_\_\_

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee Date January 26, 2022

Board of Supervisors Meeting Date \_\_\_\_\_

#### Cmte Board

- |                                     |                          |  |
|-------------------------------------|--------------------------|--|
| <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 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 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 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** (Click links to be redirected to the [Legislative Research Center](#) to view very large documents)

- |                                     |                          |  |
|-------------------------------------|--------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <a href="#">2021 Amended and Restated Water Supply Agreement</a>   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <a href="#">Agreement - Groundwater Storage and Recovery</a>   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <a href="#">Attachment A - CEQA Findings: Findings of Fact, Evaluation of Mitigation Measures and Alternatives, and Statement of Overriding Considerations</a> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <a href="#">Planning Commission Motion No. M19209 - 8/7/2014</a>   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <a href="#">SFPUC Resolution No. 14-0127 - 8/12/2014</a>   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <a href="#">FEIR Volume 1 - August 2014</a>  |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <a href="#">FEIR Volume 2 - August 2014</a>  |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <a href="#">FEIR Volume 3 - August 2014</a>  |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <a href="#">FEIR Volume 4 - August 2014</a>  |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <a href="#">FEIR Volume 5 - August 2014</a>  |
| <input type="checkbox"/>            | <input type="checkbox"/> |  |

Completed by: Brent Jalipa Date January 19, 2022

Completed by: Brent Jalipa Date \_\_\_\_\_

1 [Real Property License - City of Daly City - Two Groundwater Project Wells - 377 and 370  
2 South Park Plaza Drive, Daly City, San Mateo County, California]

3 **Resolution approving and authorizing the execution of a No-Fee License with the City**  
4 **of Daly City for the operation and maintenance of two Groundwater Project Wells on**  
5 **land owned by the City of Daly City located at 377 and 370 South Park Plaza Drive, Daly**  
6 **City, California; and authorizing the San Francisco Public Utilities Commission's**  
7 **General Manager to execute documents, make certain modifications, and take certain**  
8 **actions in furtherance of this Resolution, as defined herein, for a term to commence**  
9 **upon execution of the License through June 30, 2034.**

10  
11 WHEREAS, On August 12, 2014, by SFPUC Commission Resolution No. 14-0127 (the  
12 "SFPUC Resolution"), the SFPUC Commission authorized and approved Capital Project No.  
13 CUW30103 - Regional Groundwater Storage & Recovery Project (the "Project"); and

14 WHEREAS, The SFPUC Resolution authorized staff to proceed with actions necessary  
15 to implement the Project including (1) the acquisition of real property interests (temporary or  
16 permanent) needed for the construction of Project wells, and (2) authorized the SFPUC  
17 General Manager to negotiate and execute an operating agreement with the City of Daly City  
18 for the operation and maintenance of the Project wells; and

19 WHEREAS, The City and County of San Francisco ("City") by and through its Public  
20 Utilities Commission ("SFPUC") and the City of Daly City ("Daly City") are parties to an  
21 operating agreement entitled the "Agreement for Groundwater Storage and Recovery from the  
22 Southern Portion of the Westside Basin" with an effective date of December 16, 2014 (the  
23 "Operating Agreement"); and

24 WHEREAS, Article 8 of the Operating Agreement contemplates that, after the SFPUC  
25 constructs two Project wells within Daly City's water service area: (1) Daly City will operate

1 and maintain the Project wells for the benefit of the SFPUC's Regional Water System in  
2 accordance with, among other things, the provisions of the Operating Agreement and the  
3 provisions of a License to be entered into by City and Daly City; and

4 WHEREAS, In 2017, the City completed construction of the two Project wells on two  
5 separate parcels in the County of San Mateo located at 377 South Park Plaza Drive, Daly  
6 City, California and 370 South Park Plaza Drive, Daly City, California, and installed two eight-  
7 inch diameter raw water pipelines that connect the Project wells to Daly City's water  
8 distribution system; and

9 WHEREAS, The operation and maintenance of the two Project wells require a license  
10 (License) from City to Daly City; and

11 WHEREAS, City has agreed to grant a no-fee License to the Daly City, on the terms  
12 and conditions stated on the License; and

13 WHEREAS, The License shall commence on the date the License is mutually executed  
14 and delivered by the parties and continue during the term of the Operating Agreement until  
15 June 30, 2034, or such later date that the term of the Operating Agreement is extended or  
16 terminated pursuant to its terms; and

17 WHEREAS, An environmental impact report was prepared for the San Francisco Public  
18 Utilities Commission's (SFPUC) Regional Groundwater Storage and Recovery Project No.  
19 30103 ("Project"); and

20 WHEREAS, The Final EIR for the Project was certified by the Planning Commission on  
21 August 7, 2014 by Motion No. M-19209; and

22 WHEREAS, On August 12, 2014, the SFPUC, by Resolution No. 14-0127, approved  
23 the Project and adopted findings and a Mitigation Monitoring and Reporting Program required  
24 by the California Environmental Quality Act (CEQA), and authorized the General Manager of  
25 the Commission to negotiate and approve the Project Operating Agreement and site specific

1 agreements for the operation of Project Wells by the City of Daly City, California Water  
2 Service Company, and the City of San Bruno; and

3 WHEREAS, The Project files, including the FEIR and SFPUC Resolution No. 14-0127  
4 have been made available for review by the SFPUC and the public, and those files are part of  
5 the record before this Board; and

6 WHEREAS, The Board has reviewed and considered the information contained in the  
7 FEIR the findings contained in SFPUC Resolution No. 14-0127 and all written and oral  
8 information provided by the Planning Department, the public, relevant public agencies,  
9 SFPUC and other experts and the administrative files for the Project; now, therefore, be it

10 RESOLVED, The Board has reviewed and considered the FEIR and record as a whole,  
11 finds that the FEIR is adequate for its use as the decision-making body for the action taken  
12 herein approving a license to enter and use SFPUC property ("License") issued to the City of  
13 Daly City for the operation of two Project wells in Daly City, and incorporates the CEQA  
14 findings contained in SFPUC Resolution No. 14-0127, including the Statement of Overriding  
15 Considerations by this reference thereto as though set forth in this Resolution; and, be it

16 FURTHER RESOLVED, That the term of the License runs through June 30, 2034, the  
17 end of the term of the 2021 "Amended and Restated Water Supply Agreement Between the  
18 City and County of San Francisco and Wholesale Customers in Alameda County, San Mateo  
19 County, and Santa Clara County" ("WSA"), section 2.02 of which provides that the term may  
20 be extended by two additional extension terms of five years each until June 30, 2044, and the  
21 Board authorizes extension of the License term through June 30, 2044, in the event that one  
22 or both of the five year extension terms in the WSA are approved by the SFPUC and its  
23 wholesale water customers; and, be it

24 FURTHER RESOLVED, The Board further finds that since the FEIR was finalized,  
25 there have been no substantial Project changes and no substantial changes in Project



1 circumstances that would require major revisions to the FEIR due to the involvement of new  
2 significant environmental effects or an increase in the severity of previously identified  
3 significant impacts, and there is no new information of substantial importance that would  
4 change the conclusions set forth in the FEIR; and, be it

5 FURTHER RESOLVED, That the SFPUC General Manager is hereby authorized to  
6 enter into any amendments or modifications to the License, including without limitation, the  
7 exhibits, that the SFPUC General Manager determines, in consultation with the City Attorney,  
8 are in the best interest of the City, do not materially increase the obligations or liabilities of the  
9 City, are necessary or advisable to effectuate the purposes and intent of the License or this  
10 resolution, and are in compliance with all applicable laws, including the City Charter; and, be it

11 FURTHER RESOLVED, That the SFPUC General Manager is hereby authorized and  
12 urged, in the name and on behalf of the City, to execute the License, and to take all steps  
13 (including, but not limited to, the execution and delivery of all certificates, agreements, notices,  
14 consents, and other instruments or documents) as the SFPUC General Manager deems  
15 necessary or appropriate pursuant to the License, or to otherwise effectuate the purpose and  
16 intent of this Resolution, such determination to be conclusively evidenced by the execution  
17 and delivery by the SFPUC General Manager; and, be it

18 FURTHER RESOLVED, That within 30 days of the License being fully-executed by all  
19 parties, the San Francisco Public Utilities Commission shall provide the final License to the  
20 Clerk of the Board for inclusion into the official file.

## LICENSE TO ENTER AND USE PROPERTY

This LICENSE TO ENTER AND USE PROPERTY (this “**License**”), dated as of \_\_\_\_\_, 2021 for reference purposes, is made by and between the CITY AND COUNTY OF SAN FRANCISCO, a California municipal corporation (“**City**”), by and through the San Francisco Public Utilities Commission (“**SFPUC**”), and the CITY OF DALY CITY, a California municipal corporation (“**Licensee**”).

### RECITALS

**A.** Licensee and City are among the parties to that certain agreement entitled “Agreement for Groundwater Storage and Recovery from the Southern Portion of the Westside Basin” with an effective date of December 16, 2014 (the “**Operating Agreement**”). The terms of the Operating Agreement are incorporated into this License as if fully set forth in this License and capitalized terms used in this License that are not otherwise defined shall have the same meaning assigned to such terms in the Operating Agreement.

**B.** Article 8 of the Operating Agreement contemplates that, after the SFPUC constructs two Project Wells within Licensee’s water service area, **(1)** Licensee will operate and maintain such Project Wells for the benefit of the SFPUC’s Regional Water System in accordance with the provisions of **(a)** the Operating Agreement, **(b)** annual operation, maintenance and monitoring plans, **(c)** annual operating schedules agreed upon and issued by the Operating Committee as contemplated by Section 8.6 of the Operating Agreement, and **(d)** the provisions of this License and **(2)** that the SFPUC will annually reimburse Licensee for certain incurred operations and maintenance expenses.

**C.** City has constructed two Project Wells (the “**City Wells**”) on two parcels of City-owned real property in the County of San Mateo, located at 377 South Park Plaza Drive, Daly City, California and 370 South Park Plaza Drive, Daly City, California, and two eight-inch diameter raw water pipelines that connect the City Wells to Daly City’s water distribution system shown on **Exhibit A** (collectively, “**City’s Well Sites**”).

**D.** City desires that Licensee enter onto City’s Well Sites to operate and maintain (the “**Work**”) the City Wells as discussed in Recital B above, in accordance with the terms and conditions of the Operating Agreement and this License.

### LICENSE

Licensee and City agree as follows:

#### **1. ENTRY; PERMISSION TO ENTER**

City grants Licensee and all of Licensee's agents, employees, contractors, subcontractors, representatives, and other persons designated by Licensee, including their respective employees (collectively, Licensee’s “**Agents**”), reasonable nonexclusive access to City’s Well Sites shown on the attached **Exhibit A** to perform the Work.

At all relevant times, Licensee shall conduct the Work in accordance with the applicable requirements of the Operating Agreement, commercially reasonable groundwater well operating practices, and the terms of this License and Exhibits B and C. Licensee’s entry and use of the City’s Well Sites shall be for the sole purpose of conducting the Work. This License gives Licensee a license only and notwithstanding anything to the contrary in this License or the Operating Agreement, does not constitute a grant by City of any ownership, leasehold, easement, or other property interest or estate whatsoever in any portion of City’s Well Sites.

## 2. TERM OF LICENSE

The term (the “**Term**”) of this License shall commence on the date (the “**Commencement Date**”) it is mutually executed and delivered by the parties and continue during the term of the Operating Agreement until June 30, 2034, or such later date that the term of the Operating Agreement is extended pursuant to its terms or such earlier date that the Operating Agreement is terminated pursuant to its terms.

## 3. COMPLIANCE WITH LAWS

Licensee shall conduct and cause to be conducted all activities on the City’s Well Sites allowed pursuant to this License in a safe and prudent manner and in compliance with the terms of the Operating Agreement, decisions by the Operating Committee established under Article 10 of the Operating Agreement, the provisions of any applicable water supply permits issued by the California State Water Resources Control Board Division of Drinking Water (as they may be amended as contemplated by Section 8.7 of the Operating Agreement), and all laws, regulations, codes, ordinances, and orders of any governmental or other regulatory entity with jurisdiction over such activities. Licensee shall use, and shall cause its Agents to use, due care at all times to avoid damage or harm to Project Facilities within City’s Well Sites, and shall maintain the City Wells and City’s Well Sites in a good, clean, safe, secure, sanitary, and slightly condition.

## 4. RESTRICTIONS ON USE

(a) **Improvements.** Licensee shall not conduct any excavation activities, plant trees or other vegetation, or construct or place any temporary or permanent structures or improvements in, on, under, or about the City’s Well Sites, nor shall Licensee make any alterations or additions to any Project Facilities on City’s Well Sites, unless Licensee first obtains City’s prior written consent, which City may give, condition, or withhold at its sole and absolute discretion. All Work performed by Licensee’s contractors, subcontractors, and third-party consultants on Project Facilities at City’s Well Sites shall be subject to City’s prior written consent.

(b) **Dumping.** Licensee shall not cause or permit the dumping or other disposal in, on, under, or about City’s Well Sites of landfill, refuse, Hazardous Material (defined in **subsection (c)** below) or any other materials, including materials that are unsightly or could pose a hazard to the human health or safety, native vegetation or wildlife, or the environment.

(c) **Hazardous Materials.** Except as specifically approved by City in writing, Licensee shall not cause, nor allow any of its Agents to cause, any Hazardous Material (as defined below) to be brought upon, kept, used, stored, generated, released, or disposed of in, on, under, or about City’s Well Sites, or transported to, from, or over City’s Well Sites. Licensee shall immediately notify City when Licensee learns of, or has reason to believe that, a release of Hazardous Material has occurred in, on, under, or about City’s Well Sites. City acknowledges that certain materials as identified on the attached **Exhibit B** (the “Additional Conditions, Procedures, or Criteria to be Observed by Licensee in its Operation of City’s Well Sites”), which may or may not meet the definition of Hazardous Material below, must be used in completion of the Work, and accordingly, the materials may be brought onto City’s Well Sites for such purpose. During all use of the Hazardous Materials, Licensee and its Agents shall comply with all laws, statutes, ordinances, rules, regulations, policies, orders, edicts, and the like (collectively, “**Laws**”) relating to the use of the Hazardous Materials and requiring notice of such releases or threatened releases to governmental agencies, and shall take all action necessary or desirable to mitigate the release or minimize the spread of contamination. If Licensee or its Agents cause a release of Hazardous Material, Licensee shall promptly return City’s Well Sites to the condition immediately prior to such release without cost to City or the SFPUC, in accordance with all applicable Laws, and

using the highest and best technology available. In connection with any such release, Licensee shall afford City a full opportunity to negotiate and participate in any discussion with governmental agencies and environmental consultants regarding any settlement agreement, cleanup or abatement agreement, consent decree, or other compromise proceeding involving Hazardous Material, and any other abatement or clean-up plan, strategy, or related procedure. For purposes of this License, “**Hazardous Material**” means material that, because of its quantity, concentration, or physical or chemical characteristics, is at any time now or hereafter deemed by any federal, state, or local governmental authority to pose a present or potential hazard to public health, welfare, or the environment. Hazardous Material includes the following: any material or substance defined as a “hazardous substance, pollutant or contaminant” pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Sections 9601 et seq., or pursuant to Section 25316 of the California Health & Safety Code or any other federal, state, or local Law; and any “hazardous waste” listed pursuant to Section 25140 of the California Health & Safety Code. The term “release” or “threatened release” when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing in, on, under, or about City’s Well Sites but does not include the routine, authorized use of water treatment chemicals required to conduct the Work.

**(d) Use of Adjoining Land.** Licensee acknowledges that the privilege given under this License shall be limited strictly to City’s Well Sites. Licensee shall not traverse over or otherwise use any adjoining lands of City.

**(e) Signs.** Licensee shall not place, erect, or maintain any sign, advertisement, banner, or similar object in, on, or about City’s Well Sites without City’s prior written consent.

## **5. SURRENDER**

Upon the expiration of this License or within ten (10) days after any sooner revocation or other termination of this License, Licensee shall surrender City’s Well Sites in the same condition as received, and broom clean, free from hazards and clear of all debris. Licensee’s obligations under this Section shall survive any termination of this License.

## **6. INDEMNITY**

The indemnity clause in Section 12.2 of the Operating Agreement applies to Licensee’s operation and maintenance activities on City’s Well Sites authorized by this License, and, to the extent applicable, to City’s activities.

## **7. WORKER’S COMPENSATION INSURANCE**

During the Term, Licensee shall maintain the Worker’s Compensation Insurance for its employees conducting the Work, as required by Section 12.4 of the Operating Agreement.

## **8. NOTICES**

Except as otherwise expressly provided in this License, any notices given under this License shall be effective only if in writing and given by delivering the notice in person, by sending it first class mail or certified mail with a return receipt requested, or nationally-recognized overnight courier that guarantees next day delivery and provides a receipt therefor, with postage prepaid, addressed as follows (or such alternative address as may be provided in writing):

To Licensee: Daly City Department of Water and Wastewater Resources  
153 Lake Merced Blvd.  
Daly City, CA 94015  
Attn: Tom Piccolotti, General Manager

with a copy to: City Attorney, City of Daly City  
333 90th Street  
Daly City, CA 94015  
Attn: Rose Zimmerman, City Attorney

To City: Steve Ritchie, Assistant General Manager, Water Enterprise  
San Francisco Public Utilities Commission  
525 Golden Gate Avenue, 13th Floor  
San Francisco, CA 94102

With a copy to: San Francisco City Attorney's Office  
Attn.: Utilities General Counsel  
Room 234 City Hall  
1 Carlton B. Goodlett Place  
San Francisco, CA 94102

A properly addressed notice transmitted by one of the foregoing methods shall be deemed received upon confirmed delivery, attempted delivery, or rejected delivery. Any facsimile or telephone numbers or e-mail addresses provided by one party to the other are for convenience of communication only; neither party may give official or binding notice by facsimile, telephone or other oral communication, or e-mail. The effective time of a notice shall not be affected by the receipt, prior to receipt of the original, of a faxed or e-mailed copy of a notice or any oral communication.

## **9. MACBRIDE PRINCIPLES - NORTHERN IRELAND**

City urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1 et seq. City also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. Licensee acknowledges that it has read and understands the above statement of City concerning doing business in Northern Ireland.

## **10. TROPICAL HARDWOOD AND VIRGIN REDWOOD BAN**

City urges companies not to import, purchase, obtain, or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product, except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environment Code.

## **11. DISCLOSURE**

Licensee understands and agrees that City's Sunshine Ordinance (San Francisco Administrative Code Chapter 67) and the State Public Records Law (Gov't Code Sections 6250 et seq.) apply to this License and any and all records, information, and materials submitted to City in connection with this License. Accordingly, any and all such records, information, and materials may be subject to public disclosure in accordance with City's Sunshine Ordinance and the State Public Records Law. Licensee hereby authorizes City to disclose any records, information, and materials submitted to the City in connection with this License.

## 12. CONFLICT OF INTEREST

Through its execution of this License, Licensee acknowledges that it is familiar with the provisions of **(a)** San Francisco Charter Section 15.103; **(b)** Article III, San Francisco Campaign and Governmental Conduct Code, Chapter 2; and **(c)** California Government Code Sections 87100 et seq. and Sections 1090 et seq. and certifies that it does not know of any facts that would constitute a violation of said provisions. Licensee shall immediately notify City if City becomes aware of any such fact during the term of this License.

## 13. NOTIFICATION OF LIMITATIONS ON CONTRIBUTIONS

Through its execution of this License, Licensee acknowledges that it is familiar with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with City for the selling or leasing of any land or building to or from City whenever such transaction would require the approval by a City elective officer, the board on which that City elective officer serves, or a board on which an appointee of that City elective officer serves, from making any campaign contribution to **(a)** the City elective officer, **(b)** a candidate for the office held by such individual, or **(c)** a committee controlled by such individual or candidate, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. Licensee acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$100,000 or more. Licensee further acknowledges that the prohibition on contributions applies to Licensee; each member of Licensee's governing body, and Licensee's chief executive officers; any person with an ownership interest of more than ten percent (10%) in Licensee; any contractor or subcontractor retained by Licensee to perform Work pursuant to this License; and any committee that is sponsored or controlled by Licensee. Additionally, Licensee acknowledges that Licensee must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126. Licensee further agrees to provide to City the names of each person, entity, or committee described above.

## 14. NONDISCRIMINATION

In the performance of this License, Licensee shall not discriminate against any employee, subcontractor, applicant for employment with Licensee, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

## 15. SAN FRANCISCO PACKAGED WATER ORDINANCE

Licensee shall comply with San Francisco Environment Code Chapter 24 ("**Chapter 24**"). Licensee shall not sell, provide, or otherwise distribute Packaged Water, as defined in Chapter 24 (including bottled water), in the performance of this License or on City property unless Licensee obtains a waiver from City's Department of the Environment. If Licensee violates this requirement, City may exercise all remedies in this License and the Director of City's Department of the Environment may impose administrative fines as set forth in Chapter 24.

## 16. FOOD SERVICE AND PACKAGING WASTE REDUCTION ORDINANCE

Licensee shall comply with and is bound by all of the applicable provisions of the Food Service and Packaging Waste Reduction Ordinance, as set forth in the San Francisco Environment Code, Chapter 16, including the remedies provided therein, and implementing guidelines and rules. The provisions of Chapter 16 are incorporated into this License by reference and made a part of this License as though fully set forth. Accordingly, Licensee acknowledges that City contractors and lessees may not use Food Service Ware for Prepared Food in City Facilities and while performing under a City contract or lease (1) where the Food Service Ware is made, in whole or in part, from Polystyrene Foam, (2) where the Food Service Ware is not Compostable or Recyclable, or (3) where the Food Service Ware is Compostable and not Fluorinated Chemical Free. The capitalized terms (other than Licensee and City) in the previous sentence are defined in San Francisco Environment Code Section 1602.

## 17. NO ASSIGNMENT

This License is personal to Licensee and shall not be assigned, conveyed, or otherwise transferred by Licensee under any circumstances. Any attempt to assign, convey, or otherwise transfer this License shall be null and void and cause the immediate termination and revocation of this License.

## 18. SEVERABILITY

If any provision of this License or its application to any person, entity, or circumstance shall be invalid or unenforceable, the remainder of this License, or the application of such provision to persons, entities, or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each other provision of this License shall be valid and enforceable to the fullest extent permitted by law, except to the extent that enforcement of this License without the invalidated provision would be unreasonable or inequitable under all the circumstances or would frustrate a fundamental purpose of this License.

## 19. COOPERATIVE DRAFTING

This License has been drafted through a cooperative effort of both parties, and both parties have had an opportunity to have the License reviewed and revised by legal counsel. No party shall be considered the drafter of this License, and no presumption or rule that an ambiguity shall be construed against the party drafting the clause shall apply to the interpretation or enforcement of this License.

## 20. RESTRICTIONS ON THE USE OF PESTICIDES

Chapter 3 of the San Francisco Environment Code (the Integrated Pest Management Program Ordinance or “**IPM Ordinance**”) describes an integrated pest management (“**IPM**”) policy to be implemented by all City departments. Licensee may not use or apply or allow the use or application of any pesticides on City’s Well Sites or contract with any party to provide pest abatement or control services to City’s Well Sites without first receiving City’s written approval of an IPM plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Licensee may need to apply to City’s Well Sites during the Term, (ii) describes the steps Licensee will take to meet City’s IPM Policy described in Section 300 of the IPM Ordinance, and (iii) identifies, by name, title, address, and telephone number, an individual to act as the Licensee’s primary IPM contact person with City. Licensee will comply, and will require all of Licensee’s contractors to comply, with the IPM plan approved by City and will comply with the requirements of Sections 300(d), 302, 304, 305(f), 305(g), and 306 of the IPM Ordinance, as if Licensee were a City department. Among other matters, the provisions of the IPM Ordinance: (i) provide for the use of pesticides only as a last resort, (ii) prohibit the use

or application of pesticides on City property, except for pesticides granted an exemption under Section 303 of the IPM Ordinance (including pesticides included on the most current Reduced Risk Pesticide List compiled by City's Department of the Environment), (iii) impose certain notice requirements, and (iv) require Licensee to keep certain records and to report to City all pesticide use at City's Well Sites by Licensee's Agents. If Licensee or Licensee's Agents would apply pesticides to outdoor areas at City's Well Sites, Licensee will first obtain a written recommendation from a person holding a valid Agricultural Pest Control Advisor license issued by the California Department of Pesticide Regulation ("CDPR") and the pesticide application will be made only by or under the supervision of a person holding a valid, CDPR-issued Qualified Applicator certificate or Qualified Applicator license. City's current Reduced Risk Pesticide List and additional details about pest management on City property can be found at the San Francisco Department of the Environment website, <http://sfenvironment.org/ipm>.

## **21. GENERAL PROVISIONS**

(a) This License may be amended or modified only by a writing signed by Licensee and City. (b) No waiver by any party of any of the provisions of this License shall be effective unless in writing and signed by an officer or other authorized representative, and only to the extent expressly provided in such written waiver. No waiver shall be deemed a subsequent or continuing waiver of the same, or any other, provision of this License. (c) This instrument (including its Recitals and the attached exhibit(s), which are hereby incorporated into and made a part of this License) contains the entire agreement between the parties with respect to the access rights granted by this License and all prior written or oral negotiations, discussions, and understandings are merged in this License. (d) The sections and other headings of this License are for convenience of reference only and shall be disregarded in the interpretation of this License. (e) Time is of the essence in all matters relating to this License. (f) This License shall be governed by California law and City's Charter. (h) If either party commences an action against the other or a dispute arises under this License, the prevailing party shall be entitled to recover from the other reasonable attorneys' fees and costs. For purposes of this License and for purposes of the indemnifications set forth in this License, City's reasonable attorneys' fees shall be based on the fees regularly charged by private attorneys in San Francisco with comparable experience notwithstanding City's use of its own attorneys. (i) This License may be executed in counterparts, each of which is deemed to be an original, and all such counterparts constitute one and the same instrument. (j) Unless otherwise provided in this License, whenever City's consent is required to be obtained by Licensee pursuant to this License, City may give, condition, or withhold such consent at its sole and absolute discretion. (k) Use of the word "including" or similar words will not be construed to limit any general term, statement, or other matter in this License, whether or not language of non-limitation, such as "without limitation" or similar words, are used.

*[SIGNATURES ON FOLLOWING PAGE]*



In witness whereof, City and Licensee have executed this License on the date set forth below, effective as of the Commencement Date.

**CITY:**

CITY AND COUNTY OF SAN FRANCISCO,  
a California municipal corporation

By: \_\_\_\_\_  
Dennis Herrera  
General Manager,  
San Francisco Public Utilities Commission

Dated: \_\_\_\_\_, 2021

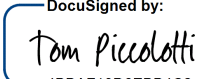
Approved as to form:

DAVID CHIU  
City Attorney

By: \_\_\_\_\_  
Shari Geller Diamant  
Deputy City Attorney

**LICENSEE:**

CITY OF DALY CITY,  
a California municipal corporation

DocuSigned by:  
  
By: \_\_\_\_\_  
Name: Tom Piccolotti  
Dated: 11/12/2021 | 12:08:28 PM PST, 2021

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Dated: \_\_\_\_\_, 2021

## **EXHIBIT A**

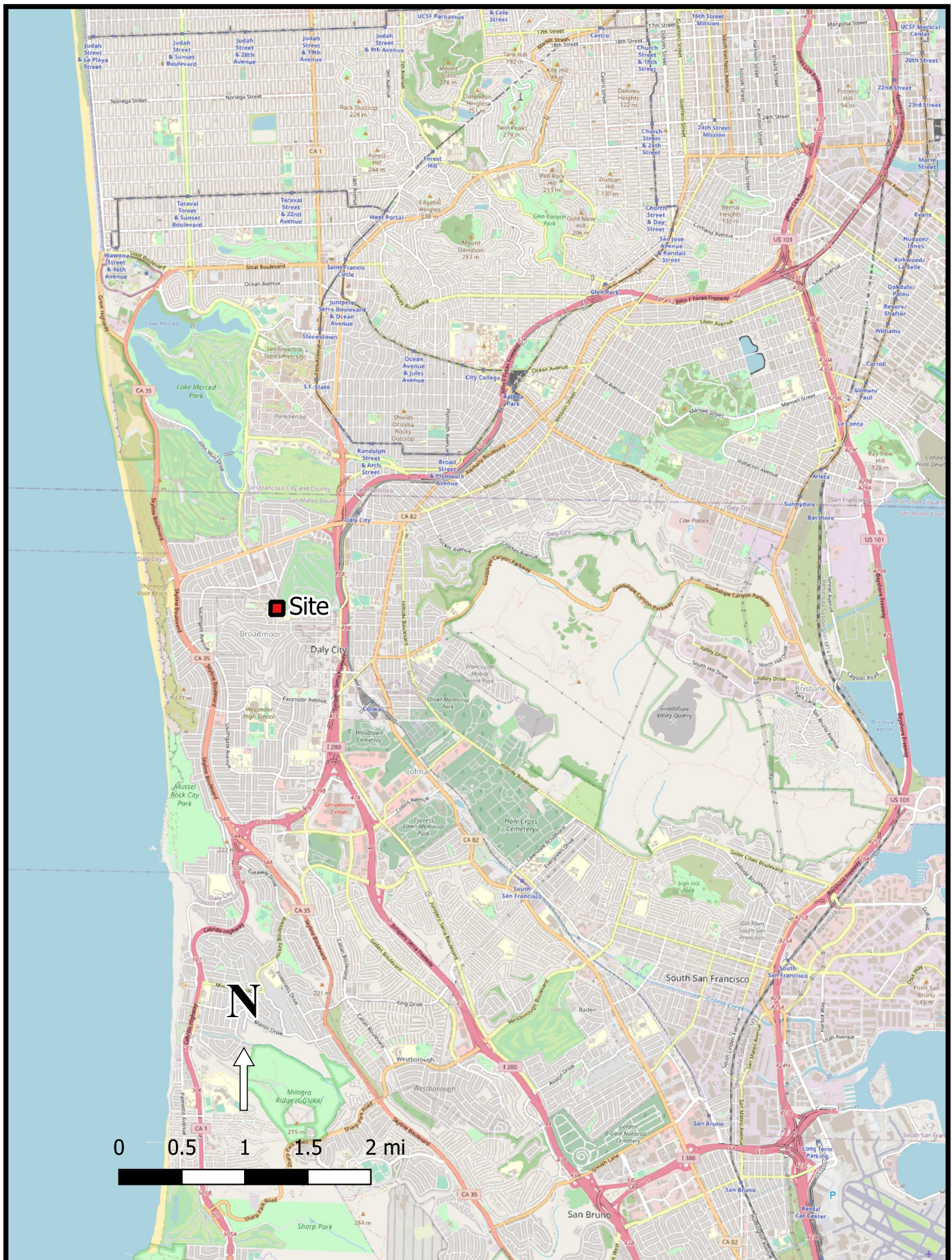
### **CITY'S WELL SITES**

Park Plaza Meter  
SFPUC South Park Plaza A Well  
377 South Park Plaza Drive  
Daly City, CA 94015

Ben Franklin Intermediate School  
SFPUC South Park Plaza B Well  
370 South Park Plaza Drive  
Daly City, CA 94015

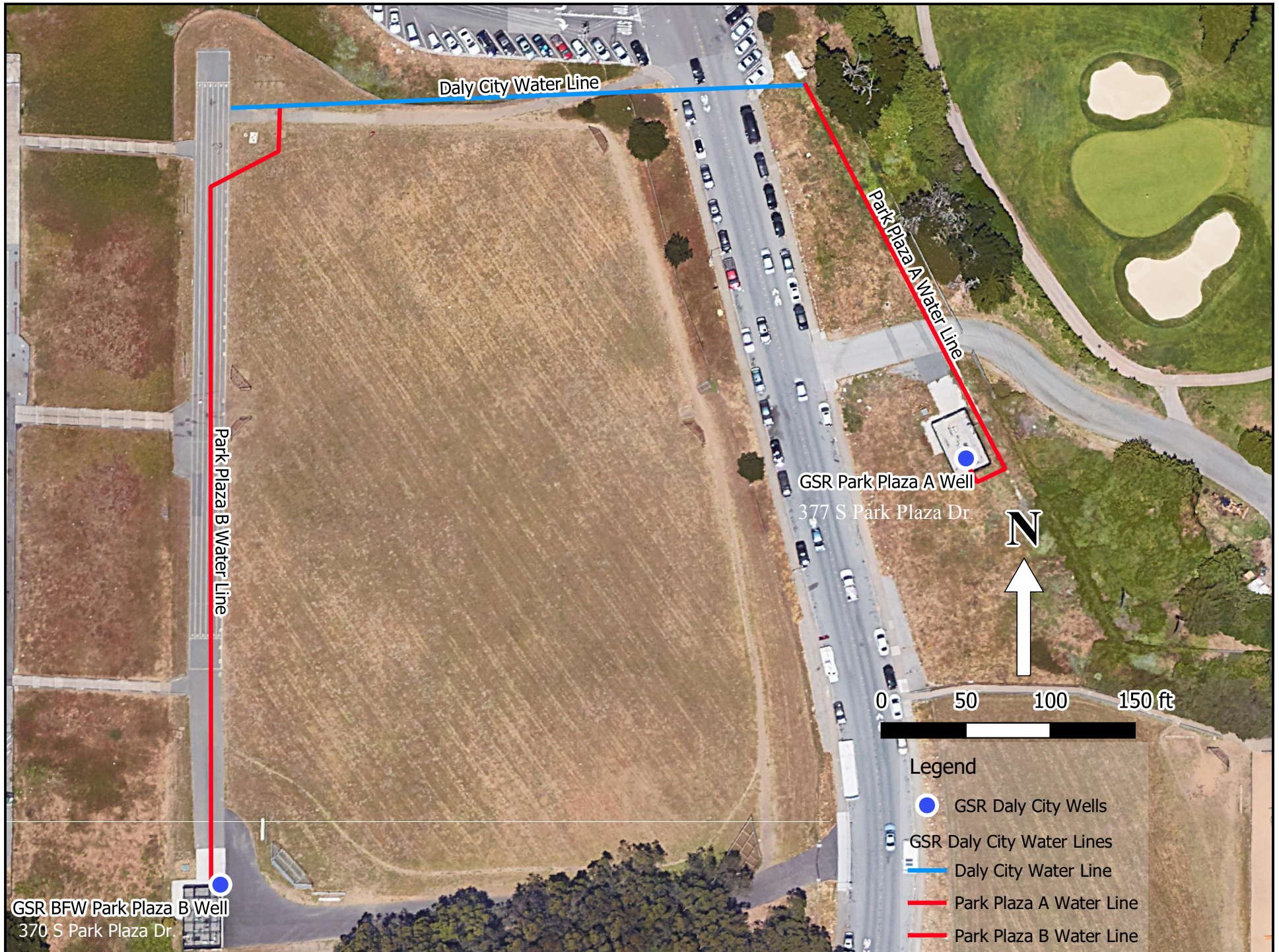


# Exhibit A Vicinity Map





# EXHIBIT A. SITE PLAN FOR GSR Park Plaza A and B Wells, Daly City CA.





## **EXHIBIT B**

### **ADDITIONAL CONDITIONS, PROCEDURES, OR CRITERIA TO BE OBSERVED BY LICENSEE IN ITS OPERATION OF CITY'S WELL SITES**

#### **A. Routine Operation and Maintenance Activities that may be conducted by Licensee Without City's Prior Written Consent**

1. Activities included within the Operation and Maintenance Plans in Exhibit C.
2. Equipment exercise schedules included in Exhibit C.
3. Leak testing and valve operation for the raw water pipelines shown in red on Exhibit A.

#### **B. Improvements and Non-Routine Operation and Maintenance Activities that Require City's Prior Written Consent in Addition to Activities Specified in Section 4(a) of License Terms. During an emergency, Daly City may perform work on the Park Plaza A and Park Plaza B Water Lines shown on Exhibit A following prompt provision of oral or written notice to the SFPUC contact person in Section 8 of the license.**

1. Corrosion testing
2. Building painting, including surface preparation
3. Piping repairs outside the existing well pad
4. Well inspection and rehabilitation
5. Motor refurbishing/ rebuilding
6. Pump pulls, servicing or rebuilding
7. Repairs to motor controls
8. Well pad structural modifications
9. Building structural modifications

**EXHIBIT C**  
**CITY WELL SITES OPERATION AND MAINTENANCE PLANS AND EQUIPMENT**  
**EXERCISE SCHEDULES**

**2021**

**AMENDED AND RESTATED**

**WATER SUPPLY AGREEMENT**

**between**

**THE CITY AND COUNTY OF SAN FRANCISCO**

**and**

**WHOLESALE CUSTOMERS**

**in**

**ALAMEDA COUNTY, SAN MATEO COUNTY AND**

**SANTA CLARA COUNTY**

---

**AGREEMENT**

**FOR GROUNDWATER STORAGE AND RECOVERY FROM**

**THE SOUTHERN PORTION OF THE WESTSIDE BASIN**

**BY AND AMONG**

**THE SAN FRANCISCO PUBLIC UTILITIES COMMISSION,**

**THE CITY OF DALY CITY,**

**THE CITY OF SAN BRUNO**

**AND**

**CALIFORNIA WATER SERVICE COMPANY**



## TABLE OF CONTENTS

<b>RECITALS</b>	1
<b>ARTICLE 1: DEFINITIONS</b>	4
1.1. "Aggregate Designated Quantity"	4
1.2. "Agreement"	4
1.3. "Basin"	4
1.4. "Basin Management Objectives"	4
1.5. "Conjunctive Use Pilot Program"	4
1.6. "Consumer Price Index"	4
1.7. "Designated Quantity"	4
1.8. "Emergency"	4
1.9. "Existing Facilities"	5
1.10. "Force Majeure Event"	5
1.11. "Hold Periods"	5
1.12. "In Lieu Water"	5
1.13. "Individual Water Supply Guarantee"	5
1.14. "Management Plan"	5
1.15. "Minimum Groundwater Requirements"	6
1.16. "Minimum Surface Water Requirements"	6
1.17. "New Well"	6
1.18. "Nonparticipating Pumpers"	6
1.19. "Operating Committee"	6
1.20. "Over Production"	6
1.21. "Participating Pumpers"	6
1.22. "Preexisting Conditions"	6
1.23. "Project"	6
1.24. "Project Capital Costs"	7
1.25. "Project Facilities"	7
1.26. "Project Operation and Maintenance Expenses"	7
1.27. "Project Wells"	7

1.28.	“Recovery Notice” .....	7
1.29.	“Recovery” or “Recovery Periods” .....	7
1.30.	“Replacement Water” .....	7
1.31.	“SFPUC System” .....	8
1.32.	“SFPUC System Water” .....	8
1.33.	“SFPUC Storage Account” .....	8
1.34.	“Shared Facilities” .....	8
1.35.	“Shortage” .....	8
1.36.	“Shortage Allocation” .....	8
1.37.	“Shortage Allocation Plan” .....	8
1.38.	“Storage” or “Storage Periods” .....	8
1.39.	“Supply Assurance” .....	8
1.40.	“Supply Year” .....	9
1.41.	“Undesirable Effects” .....	9
1.42.	“Wholesale Water” .....	9
1.43.	“WSA” .....	9
<b>ARTICLE 2: EFFECTIVE DATE, TERM AND AMENDMENT .....</b>		<b>9</b>
2.1.	Effective Date .....	9
2.2.	Term .....	9
2.3.	Amendment .....	9
2.4.	Conditions Precedent in Article 3; Termination .....	10
2.5.	Consequences of Non-Extension or Termination .....	10
<b>ARTICLE 3: CONDITIONS PRECEDENT TO IMPLEMENTATION OF PROJECT ...</b>		<b>10</b>
3.1.	Permits and Approvals .....	10
3.2.	No Force Majeure Event .....	11
<b>ARTICLE 4: GROUNDWATER STORAGE PERIODS .....</b>		<b>11</b>
4.1.	SFPUC Storage Through In Lieu Water Deliveries .....	11
4.2.	Notice of In Lieu Deliveries; Duty to Take Delivery of In Lieu Water .....	11
4.3.	Reduction in Pumping from Existing Facilities; Minimum Groundwater Requirements .....	11
4.4.	Location of Delivery of In Lieu Water to Participating Pumpers .....	12

4.5.	Aggregate Designated Quantity; Initial Designated Quantities Assigned to Participating Pumpers.....	12
4.6.	Increase of Aggregate Designated Quantity .....	13
4.7.	Reduction in Aggregate Designated Quantity; Provision of Replacement Water by the SFPUC.....	13
4.8.	Over Production of Water in Excess of Aggregate Designated Quantity.....	14
<b>ARTICLE 5: RECOVERY OF SFPUC STORAGE ACCOUNT WATER FROM PROJECT WELLS.....</b>		<b>15</b>
5.1.	Circumstances Triggering Recovery of SFPUC Storage Account Water by Participating Pumpers .....	15
5.2.	Timing of Recovery of Water from SFPUC Storage Account .....	15
5.3.	Issuance of Recovery Notice by the SFPUC.....	16
5.4.	Quantities of Water Available to Participating Pumpers from Project Facilities and SFPUC System Connections During Shortages Caused by Drought.....	16
5.5.	Minimum SFPUC System Water Deliveries to Participating Pumpers during Recovery Periods.....	16
5.6.	Recovery of Stored Water by the SFPUC.....	16
5.7.	Limitations on Recovery .....	17
<b>ARTICLE 6: PROJECT WATER ACCOUNTING .....</b>		<b>17</b>
6.1.	Accounting for Storage and Recovery .....	17
6.2.	Accounting for Wholesale Water .....	18
6.3.	Accounting for In Lieu Water Delivered during Conjunctive Use Pilot Program .....	18
6.4.	Deferred Payment for Stored In Lieu Water Supplies .....	20
6.5.	Accounting for Losses.....	20
<b>ARTICLE 7: OWNERSHIP, OPERATION, MAINTENANCE AND REPLACEMENT OF EXISTING FACILITIES .....</b>		<b>21</b>
7.1.	Ownership, Operation, Maintenance and Replacement of Existing Facilities.....	21
7.2.	Operation and Maintenance of Existing Facilities .....	21
7.3.	Failure to Maintain, Repair, or Replace Existing Facilities .....	22
7.4.	Measurement of Water Pumped Using Existing Facilities .....	22
7.5.	Drilling and Operation of New Wells by Parties .....	22

<b>ARTICLE 8: OWNERSHIP, INSTALLATION, OPERATION, AND MAINTENANCE OF PROJECT FACILITIES .....</b>	<b>23</b>
8.1. Project Facilities .....	23
8.2. Real Property Interests Required for Project Implementation .....	23
8.3. Ownership of Project Facilities .....	23
8.4. Installation of Project Facilities .....	23
8.5. Provision of As-Built Drawings; Modifications to Project Facilities Following Completion .....	24
8.6. Operation and Maintenance of Project Facilities; Potential Undesirable Effects Associated with Operation of Project Facilities as Designed .....	24
8.7. Modifications to Participating Pumpers' Water Supply Permits Issued by the California State Water Resources Control Board .....	24
8.8. Use of Project Facilities by Participating Pumpers for Non-Project Purposes .....	25
8.9. Use of Project Facilities During an Emergency .....	25
<b>ARTICLE 9: PROJECT COST RECOVERY .....</b>	<b>26</b>
9.1. Project Capital Costs .....	26
9.2. Project Operation and Maintenance Expenses .....	26
9.3. Use of Project Facilities by Participating Pumpers for Non-Project Purposes .....	27
9.4. Metering of Project Facilities Operated During Recovery Periods by the SFPUC .....	27
<b>ARTICLE 10: OPERATING COMMITTEE .....</b>	<b>27</b>
10.1. Composition of Operating Committee .....	27
10.2. Duties and Powers of Operating Committee .....	27
10.3. Operating Committee Decision-Making .....	29
10.4. Schedule for Meetings of Operating Committee .....	30
10.5. Minutes of Operating Committee Meetings .....	30
10.6. Duty of Each Party to Monitor Conjunctive Use Project Performance .....	30
<b>ARTICLE 11: DEFAULTS AND REMEDIES .....</b>	<b>30</b>
11.1. Remedies upon Termination .....	30
11.2. Remedies are Cumulative .....	31

<b>ARTICLE 12: MISCELLANEOUS PROVISIONS .....</b>	<b>31</b>
12.1. Dispute Resolution .....	31
12.2. Mutual Indemnity .....	31
12.3. Insurance and Indemnity Provisions Applicable to Construction of Project Facilities .....	32
12.4. Workers' Compensation Insurance for Project Operation .....	32
12.5. Right to Adjudicate; Limited Waiver of Prescriptive Rights Claims; No Intent to Abandon .....	32
12.6. Nonparticipating Pumpers .....	33
12.7. More Favorable Terms .....	33
12.8. Assignment .....	33
12.9. Successors .....	34
12.10. Entire Agreement .....	34
12.11. Severability .....	34
12.12. Counterparts .....	34
12.13. Notice .....	34
12.14. Force Majeure .....	35
12.15. Maintenance and Inspection of Books, Records and Reports .....	36
12.16. Governing Law; Venue .....	36
12.17. Effect of Agreement on WSA .....	36
12.18. Compliance with Raker Act .....	37
12.19. Cooperation in Implementation of Project Mitigation Measures .....	37

<b>ATTACHMENT A</b>	
Map of southern portion of Westside Groundwater Basin .....	40
<b>ATTACHMENT B</b>	
Maps Showing Existing Facilities Within Service Areas of Each Participating Pumper ..	41
<b>ATTACHMENT C</b>	
Map of southern portion of Westside Groundwater Basin showing Project Facilities .....	42
<b>ATTACHMENT D – 1</b>	
Daly City .....	43
<b>ATTACHMENT D – 2</b>	
Cal Water – South San Francisco and Colma Service Areas .....	44
<b>ATTACHMENT D – 3</b>	
San Bruno .....	45
<b>ATTACHMENT E</b>	
List of Project Facilities and Assets .....	46
<b>ATTACHMENT F</b>	
Accounting of Joint Expenses .....	47
<b>ATTACHMENT F-1</b>	
Annual Report, Actual Project Operations and Maintenance Expenses.....	48
<b>ATTACHMENT G</b>	
Form of Licenses Exchanged by Parties.....	50



## **AGREEMENT FOR GROUNDWATER STORAGE AND RECOVERY FROM THE SOUTHERN PORTION OF THE WESTSIDE BASIN**

This Agreement for Groundwater Storage and Recovery from the Southern Portion of the Westside Basin ("Agreement") is entered into by and among the San Francisco Public Utilities Commission ("SFPUC"), a department of the City and County of San Francisco ("San Francisco"), a California charter city, the City of Daly City ("Daly City"), a municipal corporation of the State of California, the City of San Bruno ("San Bruno"), a municipal corporation of the State of California, and California Water Service Company ("Cal Water"), a California investor-owned utility providing water service to the City of South San Francisco. Daly City, San Bruno and Cal Water are collectively referred to as "Participating Pumpers." The SFPUC and the Participating Pumpers are collectively referred to as "Parties" and individually as a "Party".

### **RECITALS**

- A. The SFPUC provides water ("SFPUC System Water") to San Francisco retail customers and 26 Bay Area wholesale customers, including the Participating Pumpers, through the operation of an integrated local Bay Area surface water supply system and a Tuolumne River surface water supply system. Deliveries to suburban wholesale customers are pursuant to the Water Supply Agreement between the City and County of San Francisco and Wholesale Customers in Alameda, San Mateo and Santa Clara Counties dated July 1, 2009 ("WSA"). The SFPUC's wholesale customers extend from Daly City south through the Peninsula to Santa Clara County, and up the southeast side of San Francisco Bay through Alameda County to Hayward. Some wholesale customers, such as the Participating Pumpers, have also developed other water supplies, including local surface water and groundwater, and some import surface water from the State Water Project.
- B. The SFPUC has adopted a Water System Improvement Program (WSIP) to increase the reliability of the SFPUC water system through 2030 and to provide water to meet retail and wholesale water demands through the year 2018. The WSIP included the groundwater storage and recovery project ("Project") that is the subject of this Agreement, proposed by the SFPUC to benefit all customers purchasing SFPUC System Water. The environmental effects of WSIP implementation were analyzed in a Program environmental impact report (PEIR) certified by the San Francisco Planning Commission in Motion No. 17734 dated October 30, 2008, and approved by the SFPUC in Res. No. 08-200 dated October 30, 2008.
- C. On August 7, 2014, the San Francisco Planning Commission certified the completion of the Final Environmental Impact Report for the Project in its Motion No. M-19209, and the SFPUC approved the Project on August 12, 2014 in resolution no. 14-0127, including the adoption of a mitigation, monitoring and reporting program. SFPUC resolution no. 14-0127 authorized the SFPUC

General Manager to negotiate and execute this Agreement following approval by the Participating Pumpers.

- D. The Participating Pumpers supply water to retail customers within their respective service areas in San Mateo County through a combination of purchased water from the SFPUC ("Wholesale Water"); their own groundwater wells in the Basin; and recycled water. The Participating Pumpers purchase Wholesale Water pursuant to the terms of the WSA and Individual Water Supply Contracts. The southern portion of the Westside Groundwater Basin, shown on the map attached hereto as **Attachment A**, (hereinafter "Basin") has been a source of municipal and irrigation water supply for northern San Mateo County water users, including the Participating Pumpers. Groundwater from the Basin has also been a portion of the historical water supply for irrigation at golf courses in San Mateo County and around Lake Merced in San Francisco, and at cemeteries in Colma and San Bruno.
- E. Groundwater pumping from the Basin over the past half-century has from time to time lowered water levels within the Basin, resulting in vacant storage capacity in the Basin. The purpose of the Project described in this Agreement is to enhance the use of the Basin as an underground reservoir to store water during periods when surface water supply can be made available to offset pumping by the Participating Pumpers, leading to an accumulation of stored groundwater in the Basin. The SFPUC would augment recharge in the Basin by delivering surface water to the Participating Pumpers to be used in lieu of groundwater pumping, thus allowing groundwater to accumulate in the Basin. Stored water would be recaptured by pumping during periods of insufficient surface water supplies, thereby increasing the overall supply of potable water from the Basin.
- F. A Conjunctive Use Pilot Program conducted by the Parties demonstrated that water can be stored in the Basin through the SFPUC's delivery of In Lieu Water to replace groundwater that the Participating Pumpers refrain from pumping. The Project objective is to develop enough additional groundwater pumping capacity in order to produce up to an additional 8,100 acre feet per year (pumped at an annual average rate of 7.2 million gallons per day, or "mgd") for an anticipated total extraction of 61,000 acre feet of stored water under the Project to meet SFPUC System demands during a possible 8.5 year drought cycle.
- G. In addition to being available during shortages caused by drought, Project Facilities would be available for use during shortages caused by natural disasters, SFPUC System rehabilitation, scheduled maintenance, or malfunction of the SFPUC System as provided for in the WSA, as well as for certain non-Project purposes by Participating Pumpers, as described in this Agreement.
- H. The SFPUC, through its consulting engineering firm MWH, has completed the "*South Westside Basin Conjunctive Use Program Alternatives Analysis Report*" dated October 2007 ("AAR"), and the "*South Westside Basin Conjunctive Use Program Conceptual Engineering Report*" dated November 2008 ("CER"). The



AAR evaluated well sites and distribution connection alternatives for Project Well sites, taking into account the availability of disinfection and treatment facilities, water quality blending options, and costs. The CER recommended 16 Project Well sites, and included preliminary site layouts and a schedule for subsequent phases of project design and potential implementation (i.e., pre-design site investigations, environmental review, design, and construction). The configuration of Project Facilities and Project Wells reflects the technical and engineering analyses contained in the CER and DEIR, and is as shown on the map attached hereto as **Attachment C**.

- I. The CER updated the AAR well siting plan based upon well interference analyses conducted by the firm of Luhdorff & Scalmanini in a report entitled "*Conceptual Estimate of Static Water Level Response to Planned Conjunctive Use Operations South Westside Basin*" dated April 18, 2008. Based on this work, the Participating Pumpers and the SFPUC have improved their understanding of the possible effects associated with the operation of Project Wells.
- J. A Groundwater Management Plan ("Management Plan") has been developed for the South Westside Basin with participation by San Bruno, Daly City, and Cal Water, and in collaboration with the SFPUC, under California Water Code section 10750 et. seq. The Management Plan has been adopted by San Bruno and Daly City, accepted by Cal Water, and has been received by the SFPUC.
- K. It is the intent of the Parties that this Agreement be interpreted to apply only to the Groundwater Storage and Recovery Project contemplated herein and that this Agreement will have no effect whatsoever on the land use planning or land use permitting authority or decision-making of Daly City, San Bruno, South San Francisco or the City and County of San Francisco.
- L. It is the intent of the Parties that this Agreement, unless expressly stated otherwise, shall not create, alter or impact the rights of the Parties to pump or utilize water from the Basin or the rights of the Participating Pumpers or Nonparticipating Pumpers as overlying owners, pumpers, appropriators, prescriptors or otherwise.

NOW, THEREFORE, in consideration of the foregoing Recitals, the Parties hereby agree as follows:

## ARTICLE 1

### DEFINITIONS

As used in this Agreement, each of the following capitalized terms shall have the respective meaning given to it in this section unless expressly stated to the contrary where such term is used.

- 1.1. **"Aggregate Designated Quantity"** is the groundwater production allocation set forth in **Section 4.5** that the Participating Pumpers can pump from their Existing Facilities and any New Wells during the Term of this Agreement.
- 1.2. **"Agreement"** shall refer to this Agreement for Groundwater Storage and Recovery from the Southern Portion of the Westside Basin.
- 1.3. **"Basin"** shall refer solely to the 31 square mile southern portion of the Westside Groundwater Basin, as delineated on the map attached hereto as **Attachment A**.
- 1.4. **"Basin Management Objectives"** refers to the groundwater quality and quantity objectives set forth in the Management Plan.
- 1.5. **"Conjunctive Use Pilot Program"** is the program reflected in the First and Second Amendments to Individual Water Supply Contract between the City and County of San Francisco and the City of Daly City for Purposes of Conducting an Aquifer Recharge Study, along with any subsequent letter agreements between the SFPUC and the Participating Pumpers prior to the Effective Date of this Agreement, that authorized the continued delivery of In Lieu Water for study purposes. San Bruno and Cal Water also participated in the Conjunctive Use Pilot Program under respective amendments to their Individual Water Supply Contracts dated December 11, 2002 and December 20, 2002.
- 1.6. **"Consumer Price Index"** refers to the United States Department of Labor's Bureau of Labor Statistics Consumer Price Index for All Urban Consumers, San Francisco-Oakland-San Jose, California, excluding the shelter component of said index. If the aforesaid Consumer Price Index ceases to be published, any similar index published by any other branch or department of the U.S. government shall be used as the index in this Agreement, and if none is published, another index generally recognized as authoritative shall be substituted therefore by the Parties.
- 1.7. **"Designated Quantity"** refers to each Participating Pumper's initial production allocation of the Aggregate Designated Quantity identified in **Section 4.5**, subject to adjustment by agreement of the Participating Pumpers as provided in **Section 4.5**.
- 1.8. **"Emergency"** means a sudden, non-drought event, such as an earthquake or other catastrophic event that results in an insufficient supply of water available to all or part of a Party's service area, or to the combined SFPUC System

wholesale and retail service area, for basic human consumption, firefighting, sanitation, and fire protection.

- 1.9. **"Existing Facilities"** means those wells and associated infrastructure owned by the Participating Pumpers and in existence as of the Effective Date of this Agreement shown on **Attachment B**, and any replacements of Existing Facilities irrespective of location that may be required to pump the share of the Aggregate Designated Quantity allocated to each Participating Pumper during the Term of this Agreement.
- 1.10. **"Force Majeure Event"** means an event, conditions or circumstances not the fault of, and beyond the reasonable control of, the Party claiming excuse which makes it impossible or impracticable for such Party to operate Project Facilities, Shared Facilities or Existing Facilities for Project purposes, by virtue of its effect on (1) Project Facilities, Shared Facilities or Existing Facilities and their continued operation; (2) employees essential to such performance; or (3) the financial viability of a Party's continued operation of Project Facilities, Shared Facilities or Existing Facilities for Project purposes. Force Majeure Events include (a) an "act of God" such as an earthquake, flood, earth movement, or similar catastrophic event, (b) an act of the public enemy, terrorism, sabotage, civil disturbance or similar event, (c) a strike, work stoppage, picketing or similar concerted labor action, (d) delays in construction caused by unanticipated negligence or breach of contract by a third party or inability to obtain essential materials after diligent and timely efforts; or (e) adopted legislation or a decision, order or regulation issued by a federal or state court or regulatory agency during the Term of this Agreement.
- 1.11. **"Hold Periods"** refers to all time periods during the Term of this Agreement that are not declared to be Storage Periods by the SFPUC under **Section 4.2** or deemed to be Recovery Periods under the circumstances described in **Section 5.1**.
- 1.12. **"In Lieu Water"** is SFPUC System Water, subject to the limitations set forth in WSA section 9.02 for water delivered to Cal Water, that the SFPUC delivers at no charge on an interruptible basis to the Participating Pumpers, up to a maximum rate of delivery of 5.52 mgd, to replace groundwater that the Participating Pumpers refrain from pumping using their Existing Facilities during Storage Periods. In Lieu Water is referred to in the Conjunctive Use Pilot Program agreements as "Supplemental Water".
- 1.13. **"Individual Water Supply Guarantee"** is the amount of the 184 mgd Supply Assurance guaranteed to an individual wholesale customer under §3.02 of the WSA, as shown for the Participating Pumpers on **Attachments D-1 through D-3**.
- 1.14. **"Management Plan"** refers to the South Westside Basin Groundwater Management Plan prepared by WRIME, Inc. on behalf of San Bruno, Daly City,

Cal Water, and adopted by San Bruno and Daly City, accepted by Cal Water and received by the SFPUC.

- 1.15. **"Minimum Groundwater Requirements"** means either (1) the minimum quantity of groundwater pumping that cannot be replaced by delivery of In Lieu Water due to constraints in a Participating Pumper's distribution system that a Participating Pumper must continue to pump from its Existing Facilities combined with pumping from any New Wells during Storage Periods; or (2) the minimum quantity of groundwater pumping needed for Existing Facility or New Well maintenance in accordance with prudent operating parameters, as set forth on **Attachments D-1 through D-3**.
- 1.16. **"Minimum Surface Water Requirements"** means the minimum quantity of SFPUC System Water that must continue to be supplied to each Participating Pumper during Recovery Periods for purposes of (1) blending with groundwater as may be required to meet drinking water standards promulgated by the California State Water Resources Control Board; or (2) meeting demands in an individual Participating Pumper's service area whose distribution system may not be configured to permit delivery of groundwater to all of its customers, as set forth in **Attachments D-1 through D-3**.
- 1.17. **"New Well"** means a new groundwater production well in the Basin proposed by a Party that is not intended to replace an existing well, subject to any necessary environmental review under CEQA as set forth in **Section 7.5**.
- 1.18. **"Nonparticipating Pumpers"** are groundwater users pumping water from the Basin that are not participating in this Agreement.
- 1.19. **"Operating Committee"** is the committee of SFPUC and Participating Pumper representatives formed pursuant to **Article 10** of this Agreement.
- 1.20. **"Over Production"** refers to the combined average pumping rate of the Participating Pumpers using their Existing Facilities, including pumping from any proposed New Wells, that exceeds the Aggregate Designated Quantity over the course of a five year period, as explained in **Section 4.5**.
- 1.21. **"Participating Pumpers"** are the groundwater pumpers in the Basin that are participating in this Agreement: Daly City, San Bruno and Cal Water.
- 1.22. **"Preexisting Conditions"** refers to conditions in Existing Facilities that, if not properly managed by a Participating Pumper, have the potential to reduce the extraction of Designated Quantities from its Existing Facilities, irrespective of the intermittent operation of Project Wells.
- 1.23. **"Project"** refers to the proposed Groundwater Storage and Recovery Project described in this Agreement.



- 1.24. **"Project Capital Costs"** means costs incurred for the construction and acquisition of Project Facilities along with all Project-related planning costs, such as engineering costs, engineering services, costs to obtain Project-related regulatory permits, fees for environmental consultants, legal fees, and other costs that are required to construct and acquire Project Facilities.
- 1.25. **"Project Facilities"** includes all Project assets, such as Project Wells and all related fixed assets (e.g., real property, water treatment, connecting pipelines) that are acquired or constructed by the SFPUC pursuant to this Agreement and operated as Regional Water Enterprise assets for the allocation of capital costs and operation and maintenance expenses under the WSA, as shown on the map attached as **Attachment C** and listed on **Attachment E**.
- 1.26. **"Project Operation and Maintenance Expenses"** means the cost of operating and maintaining Project Facilities and Shared Facilities in good working order or repairing those Facilities when necessary, including all Project-related expenses, such as labor, materials and supplies, water treatment, permitting, energy, water quality monitoring and other expenses directly attributable to operation of Project Facilities for Project purposes. Project Operation and Maintenance Expenses may also include expenses incurred by the Participating Pumpers in operating Existing Facilities and new wells provided that such expenses are recommended in advance by the Operating Committee under **Section 9.2**.
- 1.27. **"Project Wells"** are the wells proposed to be installed for Project purposes, as shown on the map attached as **Attachment C**.
- 1.28. **"Recovery Notice"** is the written notice issued by the SFPUC declaring a forecasted shortage of water in the SFPUC Water System due to drought, scheduled maintenance, or an Emergency, triggering Recovery of water stored in the SFPUC Storage Account by the Parties to this Agreement at such time as the SFPUC may direct.
- 1.29. **"Recovery" or "Recovery Periods"** refers to the act of pumping or to periods of pumping of water from the SFPUC Storage Account for Project purposes using Project Facilities as may be directed by the SFPUC or recommended by the Operating Committee under **Section 5.1**. Recovery does not include the pumping of Project Wells for non-Project purposes as described in **Section 8.8**, the pumping of Project Wells for non-Project Emergency purposes under **Section 8.9**, or any volume of Over Production by a Participating Pumper.
- 1.30. **"Replacement Water"** means the quantity of SFPUC System Water made available by the SFPUC, in accordance with **Section 4.7**, to some or all of the Participating Pumpers based on a determination by the Operating Committee that the Aggregate Designated Quantity in **Section 4.5** should be reduced based on the criterion set forth in **Section 4.7**.

- 1.31. **"SFPUC System"** is the surface water importation system operated by the SFPUC that diverts, delivers, and accounts for SFPUC System Water to wholesale and retail customers in the SFPUC service area.
- 1.32. **"SFPUC System Water"** is the water the SFPUC diverts from local Bay Area watersheds and the Tuolumne River for use within the SFPUC service area, and includes any positive balance in the SFPUC Storage Account that is available for pumping using Project Wells connected to SFPUC System transmission mains or to the Participating Pumpers' water distribution systems.
- 1.33. **"SFPUC Storage Account"** means the book account maintained by the SFPUC showing the amount of water stored in the Basin during Storage Periods under this Agreement, and the amounts described in **Section 6.3** that were previously stored as a result of participation in the Conjunctive Use Pilot Project, less the amount of water pumped by the Participating Pumpers and the SFPUC from Project Wells during Recovery Periods and less losses from the Basin, as determined by the Operating Committee as provided in **Section 6.5**.
- 1.34. **"Shared Facilities"** refers to an Existing Facility that is owned by a Participating Pumper, as upgraded though the expenditure of Regional capital costs under section 5.04 of the WSA and operated in part as a Project Facility.
- 1.35. **"Shortage"** means a reduction in SFPUC System Water available to the SFPUC System or portions thereof caused by drought, Emergencies, scheduled maintenance activities, or malfunction of the SFPUC System.
- 1.36. **"Shortage Allocation"** refers to each Participating Pumper's allocation of SFPUC System Water during periods of mandatory rationing as determined by the wholesale customers in Tier 2 of the Shortage Allocation Plan or any successor plan that may be agreed to by the SFPUC and its wholesale customers during the Term of this Agreement.
- 1.37. **"Shortage Allocation Plan"** is the Water Shortage Allocation Plan attached as Attachment H to the WSA that describes a method for allocating water between the SFPUC retail and wholesale customer classes during system-wide water shortages that require an average system-wide reduction in water use of up to twenty percent.
- 1.38. **"Storage" or "Storage Periods"** refers to the act of storing water, or to periods of time when such storage occurs, through the provision of In Lieu Water to the Participating Pumpers, as may be directed by the SFPUC in accordance with **Section 4.3**.
- 1.39. **"Supply Assurance"** is the total amount (184 mgd) that the SFPUC guarantees it will make available to its wholesale customers on an annual average basis under §3.01 of the WSA.

- 1.40. **"Supply Year"** refers to the period from July 1 to June 30.
- 1.41. **"Undesirable Effects"** means a substantial adverse physical change to the Basin caused by Project operation that would result in (1) seawater intrusion, land subsidence, or water quality degradation; (2) material reductions in well yield at, or the inability to pump from, without experiencing excessive pump lifts, one or more wells owned and operated by a Participating Pumper; (3) lowering of groundwater levels such that there would be a substantial (greater than 5%) reduction in the amount of water available in the SFPUC Storage Account; (4) a substantial lowering of groundwater levels such that the impacts identified in subparts (1), (2) or (3) above would result, or any other material adverse physical change on the water supply or operations of a participating pumper. For purposes of this Agreement, "Undesirable Effects" also includes material increases in the cost of operation of Existing or Project Facilities.
- 1.42. **"Wholesale Water"** is SFPUC System Water that the SFPUC delivers to a Participating Pumper pursuant to the WSA within a Participating Pumper's Individual Water Supply Guarantee, and does not include supplies of In Lieu Water delivered to the Participating Pumps on an interruptible basis.
- 1.43. **"WSA"** refers to the Water Supply Agreement between the City and County of San Francisco and Wholesale Customers in Alameda, San Mateo and Santa Clara Counties dated July 1, 2009.

## ARTICLE 2

### EFFECTIVE DATE, TERM AND AMENDMENT

#### 2.1. Effective Date

This Agreement shall be effective as of December 16, 2014, the date that the General Manager of the SFPUC signed this Agreement following approval by the Participating Pumps (the "Effective Date").

#### 2.2. Term

The term ("Term") of this Agreement shall be co extant with the term of the WSA, subject to the limitations and terms and conditions set forth herein. The Term shall begin on the Effective Date, and shall end on the expiration of the WSA, June 30, 2034. If the term of the WSA is extended as provided in section 2.02 thereof through the addition of any Extension Term(s), the term of this Agreement shall be automatically extended for an identical Extension Term.

#### 2.3. Amendment

The Parties may agree to amend this Agreement in writing from time to time following duly authorized approval of their governing bodies. The matters to be determined by the Operating Committee under **Section 10.2**, and amendments to **Attachments A through G**, do not require the approval of the Parties' governing bodies.

#### **2.4. Conditions Precedent in Article 3; Termination**

In the event of the failure or non-waiver of any of the conditions precedent in **Article 3**, the Parties shall meet and confer on the feasibility of satisfying or waiving the conditions. If, after reasonable efforts by the Parties, the conditions precedent in **Article 3** cannot be satisfied or waived, this Agreement shall terminate automatically.

#### **2.5. Consequences of Non-Extension or Termination**

If the term of the WSA is not extended pursuant to **Section 2.2**, or if this Agreement terminates pursuant to **Sections 11.1 or 12.14**, the SFPUC shall continue to own and have access to all Project Facilities, and shall have the right to direct the Participating Pumpers to extract and use any remaining water reflected as a credit balance in the SFPUC Storage Account as provided in **Article 5** of this Agreement, until there is no remaining water in the SFPUC Storage Account. Alternatively, the SFPUC may in its sole discretion pump any remaining stored water reflected as a credit balance in the SFPUC Storage Account, subject only to the limitations contained in this Agreement until there is no remaining water in the SFPUC Storage Account. The SFPUC shall allocate the water supply benefit that accrues as a result of such pumping in accordance with Section 3.17 of the WSA. Upon the expiration of this Agreement, the SFPUC shall otherwise have no right, claim or interest in the Basin, or to water in the Basin, pursuant to this Agreement.

### **ARTICLE 3**

#### **CONDITIONS PRECEDENT TO IMPLEMENTATION OF PROJECT**

The construction of Project Facilities, the Parties' obligations to operate Project Facilities, Existing Facilities and Shared Facilities in accordance with this Agreement, and the taking of any discretionary actions by any Party in accordance with this Agreement, are subject to the following conditions precedent:

##### **3.1. Permits and Approvals**

Compliance with CEQA (California Public Resources Code Section 21000 et seq.) and any other authorizations, consents, licenses, permits and approvals from any governmental authority or person required by applicable law to construct and operate the Project shall have been obtained.

In considering any proposed future discretionary actions that may be proposed in this Agreement, the Parties retain absolute discretion to: (1) make such modifications to any of the proposed discretionary actions as may be necessary to mitigate significant environmental impacts; (2) select feasible alternatives to the proposed discretionary actions that avoid significant adverse impacts; (3) require the implementation of specific measures to mitigate the significant adverse environmental impacts as part of the decision to approve the discretionary actions; (4) balance the benefits of the proposed discretionary actions against any significant environmental impacts before taking final actions to approve the proposed discretionary actions if such significant impacts cannot otherwise be avoided; or (5) determine not to proceed with the proposed discretionary actions.



### **3.2. No Force Majeure Event**

No Force Majeure Event (as defined in **Section 1.10**) shall have occurred and be continuing.

## **ARTICLE 4**

### **GROUNDWATER STORAGE PERIODS**

#### **4.1. SFPUC Storage Through In Lieu Water Deliveries**

During Storage Periods the SFPUC may require the Participating Pumpers to store In Lieu Water in the Basin up to a maximum rate of 5.52 mgd. All quantities of In Lieu Water stored in the Basin shall be added to the SFPUC Storage Account, up to a total maximum storage of 61,000 acre feet. All quantities of In Lieu Water delivered to Cal Water shall be in accordance with the terms of the Raker Act and the requirements of WSA section 9.02.

#### **4.2. Notice of In Lieu Deliveries; Duty to Take Delivery of In Lieu Water**

The amount of In Lieu Water available for delivery to the Participating Pumpers shall be at the sole discretion of the SFPUC, taking into account hydrologic, operational and other conditions of concern to the SFPUC as the operator of the SFPUC System. If the SFPUC elects to declare a Storage Period and deliver In Lieu Water, the Participating Pumpers shall accept In Lieu Water delivered by the SFPUC in accordance with the terms and conditions of this Agreement.

In accordance with the schedule set forth in the Shortage Allocation Plan, the SFPUC informs its wholesale customers, including the Participating Pumpers, of its final estimate of available SFPUC System Water by April 15<sup>th</sup> (or sooner if adequate snow survey measurement data is available) to form a robust estimate of the water supply available to the retail and wholesale customer classes for the coming Supply Year. As a part of that annual determination, the SFPUC will give written notice to the Participating Pumpers and the Operating Committee on or before April 15<sup>th</sup> of the availability, anticipated quantities, and timing of SFPUC In Lieu Water deliveries.

#### **4.3. Reduction in Pumping from Existing Facilities; Minimum Groundwater Requirements**

If the SFPUC's notice of available SFPUC System Water states that In Lieu Water is available for delivery to the Participating Pumpers at the maximum total rate of 5.52 mgd, the Participating Pumpers shall each respond to the SFPUC in writing by May 15<sup>th</sup> regarding whether and to what extent they can accept delivery of In Lieu Water over the course of the coming Supply Year by reducing pumping of their Designated Quantities from their Existing Facilities to the amounts of their respective Minimum Groundwater Requirements shown in **Attachments D-1, D-2 and D-3**.

The Participating Pumpers' may indicate in their responses that they elect to pump groundwater from their Existing Facilities at rates higher than their individual Minimum Groundwater Requirements, up to a cumulative total exceedance of 1.9 mgd, as may be allocated based on mutual agreement of the Participating Pumpers. The Participating Pumpers shall take delivery of a minimum of 5 mgd of In Lieu Water during Storage Periods, or of any smaller quantity of In Lieu Water that is made available by the SFPUC in the notice issued on or before April 15<sup>th</sup>.

The Participating Pumpers shall decrease pumping from their Existing Facilities on such date as the Parties may agree but no later than July 1, at which time the SFPUC will commence delivery of In Lieu Water up to the amount made available by the SFPUC, and as requested by the Participating Pumpers. All quantities of In Lieu Water delivered by the SFPUC up to a rate of 5.52 mgd will be accounted for as credits in the SFPUC Storage Account.

The Participating Pumpers may operate their Existing Facilities to pump less than their individual Minimum Groundwater Requirements during Storage Periods. Deliveries of SFPUC System Water to offset pumping reductions below a Participating Pumper's Minimum Groundwater Requirement shall not be considered In Lieu Water and are subject to the provisions of **Section 6.4**. Increases in Minimum Groundwater Requirements may be made only with the approval of the Operating Committee under **Section 10.2.5**.

#### **4.4. Location of Delivery of In Lieu Water to Participating Pumpers**

The SFPUC shall deliver In Lieu Water to the Participating Pumpers at the existing service connections detailed in each Participating Pumper's Individual Water Supply contract with the SFPUC. To the extent that delivery of In Lieu Water under the Project requires additional service connections to the SFPUC System, such connections shall be considered Project Facilities for cost allocation purposes under **Article 9** of this Agreement.

#### **4.5. Aggregate Designated Quantity; Initial Designated Quantities Assigned to Participating Pumpers**

The Participating Pumpers agree to restrict the pumping of groundwater from the Basin utilizing their Existing Facilities, combined with any pumping from proposed New Wells, to the Aggregate Designated Quantity of 7,724 acre feet per year, extracted at an annual cumulative rate of 6.9 mgd. Subject to the limitation on Over Production expressed in **Section 4.8**, the Participating Pumpers may in their sole discretion exceed the 6.9 mgd annual cumulative pumping rate provided that the five-year moving average cumulative pumping rate, computed solely with reference to the previous five years of Recovery and Hold periods, shall not exceed 6.9 mgd. The initial Designated Quantities assigned to each of the Participating Pumpers over the first Supply Year during the Term of this Agreement are as follows:

4.5.1. Daly City: 3,842 acre feet per year, extracted at an annual average rate of 3.43 mgd.

4.5.2. Cal Water: 1,534 acre feet per year, extracted at an annual average rate of 1.37 mgd.

4.5.3. San Bruno: 2,350 acre feet per year, extracted at an annual average rate of 2.1 mgd.

The Designated Quantities set forth in this section may be freely altered, transferred, adjusted or allocated by agreement (collectively, "adjustments") of the Participating Pumpers in each Supply Year during the Term of this Agreement, provided that (1) the Aggregate Designated Quantity is not increased above 6.9 mgd using the five-year moving average described in this section; (2) the adjustments in Designated Quantities are reflected, to the extent possible, in the annual operating plans developed by the Operating Committee under **Section 8.6**; and (3) such adjustments do not exceed 10%, of each Participating Pumper's agreed upon Designated Quantity, plus or minus, for that Supply Year. The Operating Committee may consider an increase to the 10% limitation on adjustments to Designated Quantities expressed in this section in accordance with the criteria set forth in **Sections 4.6.1** and **4.6.2**.

#### **4.6. Increase of Aggregate Designated Quantity**

The future operation of the Basin for Project purposes, and continued water level monitoring by the Parties in accordance with the Management Plan, may result in mutual agreement that the Aggregate Designated Quantity set forth in **Section 4.5** may be below the yield of the Basin. Requests by the Participating Pumpers to extract groundwater above the Aggregate Designated Quantity may be approved by the Operating Committee as set forth in **Section 10.2.12**. As of the Effective Date of this Agreement, the Participating Pumpers are not planning to extract groundwater above the Aggregate Designated Quantity, but are incorporating a process for adjusting the Aggregate Designated Quantity should the Operating Committee decide to exercise its discretion to do so in the future, following compliance with CEQA to the extent required. Potential increases in the Aggregate Designated Quantity may be considered by the Operating Committee under any of the following circumstances:

4.6.1. Based on actual water level data and operational experience, or changed conditions, following the completion and acceptance of Project Facilities as reflected in a resolution of the SFPUC.

4.6.2. At any time following the permanent replacement of groundwater pumped by a Nonparticipating Pumper with water from another source, e.g. recycled water.

#### **4.7. Reduction in Aggregate Designated Quantity; Provision of Replacement Water by the SFPUC**

The Operating Committee may determine under **Section 10.2.12** that it is necessary to reduce the Aggregate Designated Quantity set forth in **Section 4.5**. Any decision of the Operating Committee to reduce the Aggregate Designated Quantity shall be based solely on a determination that continued pumping of the Aggregate Designated Quantity will result in the long term decline of Basin water levels absent Project operations in a manner that substantially interferes with the ability to extract water from the SFPUC Storage Account during Recovery Periods.

The determination of each Participating Pumper's share of any reduction in the Aggregate Designated Quantity shall be by agreement of the Participating Pumpers. In the event the Participating Pumpers are unable to reach agreement, Section 12.1 shall apply. Following such agreement, the SFPUC agrees that it will provide a total of up to 500 acre feet of Replacement Water per year to the Participating Pumpers at a cost of \$226.53 per acre foot within 60 days of receipt of written notification by the affected Participating Pumper(s). The price of Replacement Water may be adjusted annually by the SFPUC based on the Consumer Price Index.

The supply of Replacement Water by the SFPUC shall not increase a Participating Pumper's Individual Water Supply Guarantee under the WSA and shall be consistent with section 9.02 of the WSA. In the event that the SFPUC offers to increase the Supply Assurance under section 4.06 of the WSA, and one or more Participating Pumpers receiving Replacement Water requests and receives an increase in its Individual Water Supply Guarantee, then the SFPUC's obligation to provide Replacement Water shall cease to the extent of the increase in the Participating Pumper's Individual Water Supply Guarantee that is offered by the SFPUC, and the corresponding amount of Replacement Water formerly supplied by the SFPUC shall be priced at the then-current SFPUC wholesale water rate. Alternatively, the SFPUC's obligation to provide a Replacement Water supply to one or more Participating Pumpers may be retired in whole or part if the SFPUC pays a mutually agreed upon one-time capital cost contribution towards a permanent replacement of groundwater pumped by a Nonparticipating Pumper with water from



another source in the Basin as provided in **Section 4.6.2**. Prior to making any decision to retire a Replacement Water obligation by making a capital cost contribution towards a permanent replacement of groundwater pumped from the Basin, the SFPUC agrees that it will solicit input and recommendations from the Bay Area Water Supply and Conservation Agency and the wholesale customers under WSA section 3.15.B. The provision of Replacement Water described in this section shall not be construed as precedent for the allocation of surface water by the SFPUC in any future water transfer or SFPUC System capital project involving other wholesale water customers of the SFPUC.

The notice(s) from the affected Participating Pumper(s) requesting delivery of Replacement Water shall, on an annual basis, select one of the following options:

4.7.1. An annual transfer of storage credits in the SFPUC Storage Account.

4.7.2. Provision of interruptible supplies of surface water from the SFPUC System, provided that the SFPUC determines, in its sole discretion, that such supplies are available.

#### **4.8. Over Production of Water in Excess of Aggregate Designated Quantity**

At the close of each Supply Year, beginning in the fifth year of Project operations, the Operating Committee will determine whether the Participating Pumpers engaged in Over Production, and if so, identify which Participating Pumper(s) were responsible for the Over Production by pumping more than its agreed upon Designated Quantity during the previous five year averaging period. Over Production shall never exceed an amount that is 10% over the Aggregate Designated Quantity (7.6 mgd) in any Supply Year or the five-year moving average amount of 6.9 mgd calculated as provided in **Section 4.5** above. No volume of Over Production shall result in any deduction of water from the SFPUC Storage Account. Any Participating Pumper determined by the Operating Committee to be responsible for Over Production shall take one of the following corrective actions:

4.8.1. reduce pumping below its Designated Quantity, not including Storage Periods, by a commensurate amount to restore water to the Basin in the amount of the Over Production which will result in the five year moving average basis of 6.9 mgd being achieved;

4.8.2. replace the quantity of water pumped in excess of the Designated Quantity with water from another source or supply, resulting in an equivalent amount of water being stored in the Basin, subject to the approval of the Operating Committee under **Section 10.2.12**; or

4.8.3. other appropriate measures proposed by the Parties, subject to the approval of the Operating Committee under **Section 10.2.12**.

A Participating Pumper that engages in Over Production shall propose its preferred method for remedying the Over Production by August 1<sup>st</sup> of the succeeding Supply Year and shall so inform the other members of the Operating Committee. If the proposed remedy for Over Production requires a decision of the Operating Committee under **Section 10.2.12**, the Operating Committee shall convene within 30 days of receipt of the proposal. The corrective measures set forth in **Sections 4.8.1 through 4.8.3** shall not be applicable to Over Production required solely due to an Emergency or for Project Management purposes as directed by the Operating Committee under **Section 5.2.3**.

## **ARTICLE 5**

### **RECOVERY OF SFPUC STORAGE ACCOUNT WATER FROM PROJECT WELLS**

#### **5.1. Circumstances Triggering Recovery of SFPUC Storage Account Water by Participating Pumpers**

Pursuant to **Section 5.2**, the SFPUC will determine the quantity of groundwater to be pumped from the SFPUC Storage Account using Project Wells in any of the following circumstances:

- 5.1.1. During Shortages caused by drought using the process set forth in the Shortage Allocation Plan, and as set forth in Section 5.2.1; or
- 5.1.2. During Shortages caused by an Emergency, SFPUC System rehabilitation, scheduled maintenance, or malfunction of the SFPUC System, any of which permit the SFPUC to temporarily reduce deliveries of Wholesale Water to all or some of its wholesale customers as set forth in WSA §3.11; or
- 5.1.3. Upon recommendation of the Operating Committee, including for purposes of managing the SFPUC Storage Account.

#### **5.2. Timing of Recovery of Water from SFPUC Storage Account**

##### **5.2.1. Drought Recovery**

The SFPUC may issue a Recovery Notice during droughts when the SFPUC determines that available water supplies from the SFPUC System are insufficient to meet customer purchase projections using the process set forth in the Shortage Allocation Plan. During Shortages caused by drought, the SFPUC may choose to exercise its dry year water supply options, including but not limited to Recovery of water from the SFPUC Storage Account; requesting voluntary reductions in water use or imposition of mandatory rationing; or any combination of these measures. Upon issuance of a Recovery Notice by the SFPUC, the Parties and the Operating Committee shall make plans and preparations for the possible Recovery of SFPUC Storage Account water commencing on July 1 or such later date as the Recovery Notice shall direct, pursuant to **Section 5.3** below. In successive dry years, the SFPUC's initial determination of water availability under the Shortage Allocation Plan shall include the remaining volume of water in the SFPUC Storage Account, and the SFPUC may direct the Participating Pumpers to continue Recovery from Project Wells under their operational control in each successive dry year until the total volume in the SFPUC Storage Account is exhausted.

##### **5.2.2. Non-Drought Shortages**

During Shortages that would be caused by SFPUC System rehabilitation or scheduled maintenance, the SFPUC's Recovery Notice shall provide not less than 60 days' advance notice to the Participating Pumpers and the Operating Committee that water must be pumped from the SFPUC Storage Account using Project Wells. During Emergencies or malfunctioning of the SFPUC System that

prevent the SFPUC from meeting water demands in its combined retail and wholesale service areas at established level of service goals for the delivery of SFPUC System Water, the SFPUC may issue a written Recovery Notice that requires Recovery by the Participating Pumpers as soon as is reasonably practicable.

#### **5.2.3. Management of SFPUC Storage Account**

For purposes of managing the SFPUC Storage Account, the Operating Committee may authorize pumping outside of Recovery Periods and shall develop a schedule of pumping pursuant to **Section 10.2.2** that provides adequate notice to the Parties of the need to pump water from the SFPUC Storage Account.

### **5.3. Issuance of Recovery Notice by the SFPUC**

Based on the circumstances and timing set forth in **Sections 5.2.1 and 5.2.2**, the SFPUC may, in order to manage the limited supply of SFPUC System Water during Shortage, issue a Recovery Notice directing that groundwater be pumped by Participating Pumpers from Project Wells in the Basin, up to the cumulative total amount available in the SFPUC Storage Account and in accordance with the Operating Committee's (1) operating schedule developed pursuant to **Section 10.2.2** and (2) rules for accounting for storage losses from the Basin pursuant to **Sections 6.5 and 10.2.10**.

### **5.4. Quantities of Water Available to Participating Pumpers from Project Facilities and SFPUC System Connections During Shortages Caused by Drought**

During Shortages caused by drought that require mandatory rationing, the quantity of groundwater pumped by each Participating Pumper from the SFPUC Storage Account using Project Facilities, plus each Participating Pumper's Minimum Surface Water Requirement, shall not exceed the volume of the Wholesale Water allocation that would have been available to that Participating Pumper under the methodology adopted by all of the wholesale customers under section 2.2 of the Shortage Allocation Plan. During Shortages caused by drought that require mandatory rationing, the Participating Pumpers may not take delivery of SFPUC Surface Water in excess of the volumes that would have been available to them under section 2.2 of the Shortage Allocation Plan as a substitute for reduced pumping from their Existing Facilities or from Project Wells under their operational control.

### **5.5. Minimum SFPUC System Water Deliveries to Participating Pumpers during Recovery Periods**

During Recovery Periods, the SFPUC shall continue to supply each Participating Pumper with its Minimum Surface Water Requirements, as set forth in **Attachment D**. Changes in Minimum Surface Water Requirements may be made only with the approval of the SFPUC, which shall not be unreasonably withheld.

### **5.6. Recovery of Stored Water by the SFPUC**

Project Facilities include Project Wells located on SFPUC System transmission line rights of way which may, in addition to Project Wells operated by the Participating Pumpers, be operated by the SFPUC for the Recovery of SFPUC Storage Account water pursuant to **Section 5.1**. These Project Wells are shown on **Attachment C**.

### **5.7. Limitations on Recovery**

The Parties agree that Recovery will never exceed the cumulative amount of water available in the SFPUC Storage Account (taking into consideration Basin losses measured in accordance with the methodology adopted by the Operating Committee in accordance with **Section 6.5**), and that Recovery will never exceed 8,100 acre-feet per Supply Year withdrawn at an average rate of 7.2 mgd. The SFPUC further agrees that it will not pump or recover any water from the Basin unless there is a positive balance in the SFPUC Storage Account. If the SFPUC pumps or recovers any water from the Basin in excess of the balance available in the SFPUC Storage Account, the SFPUC must transfer a corresponding amount of SFPUC System Water to the Basin over the course of the succeeding Supply Year at no cost to the Participating Pumpers.

## **ARTICLE 6**

### **PROJECT WATER ACCOUNTING**

#### **6.1. Accounting for Storage and Recovery**

Accounting for Storage and Recovery of groundwater in the SFPUC Storage Account is to be performed on the following basis:

6.1.1. **Storage Period Accounting.** All quantities of In Lieu Water delivered to the Participating Pumpers will result in a corresponding credit to the SFPUC Storage Account. The SFPUC's calculation of Storage Account credits will be based on the volume of In Lieu Water delivered to each Participating Pumper through its service connections to the SFPUC System. The total volume of In Lieu Water delivered during Storage Periods will be measured based on the delta between the combined metered reductions in each Participating Pumper's annual Designated Quantity and its respective Minimum Groundwater Requirement. The Participating Pumpers will provide metered volumes of groundwater produced from their Existing Facilities to the SFPUC on a monthly basis. Quantities of In Lieu Water delivered to each Participating Pumper by the SFPUC will be reflected in the next SFPUC monthly billing to each Participating Pumper for Wholesale Water, along with the cumulative total of prior In Lieu Water deliveries during Storage Periods.

6.1.2. **Recovery Period Accounting.** All quantities of groundwater pumped from Project Wells by the Parties for Project purposes will result in a corresponding debit to the SFPUC Storage Account. Pumping for Project purposes includes pumping of up to 265 acre feet per year from Project Wells for purposes of maintaining well capacity when idle during Storage Periods and Hold Periods. The SFPUC's calculation of Storage Account debits will be based upon Project Well meter readings made by or provided to the SFPUC. During Recovery Periods, the SFPUC's monthly billings to each Participating Pumper for Wholesale Water will include the total metered extractions of SFPUC Storage Account Water from Project Wells by the Parties, along with the balance remaining in the SFPUC Storage Account.



6.1.3. Water Accounting for Use of Project Facilities for Non-Project Purposes or During Emergencies. The Participating Pumpers' use of Project Facilities for non-Project purposes under **Section 8.8** shall not result in a corresponding debit to the volume of water stored in the SFPUC Storage Account. A Participating Pumper's use of Project Facilities during a local Emergency under **Section 8.9** shall not result in a corresponding debit to the volume of water stored in the SFPUC Storage Account, unless the SFPUC determines, in its sole discretion, that such pumping is required under **Section 5.2.2** in order to maintain water deliveries from the SFPUC System to its combined wholesale and retail service area at the SFPUC's established level of service goals.

## **6.2. Accounting for Wholesale Water**

Wholesale Water deliveries shall continue to be paid for by the Participating Pumpers pursuant to the WSA and shall not increase the credit balance in the SFPUC Storage Account. The SFPUC's delivery of Replacement Water, and interruptible supplies of In Lieu Water to a Participating Pumper in excess of its Individual Water Supply Guarantee, shall not be construed to create any liability, dedication to public use, or obligation on the part of the SFPUC to provide a greater volume of water to that Participating Pumper than its Individual Water Supply Guarantee, as set forth in Attachment C to the WSA.

Apart from changes in the timing of SFPUC System Water delivery and payment therefore in accordance with conjunctive operation of the Basin, and as is set forth in **Section 12.18** of this Agreement, nothing in this Agreement is intended to affect the Participating Pumpers' rights to, and payment for, Wholesale Water, including each Participating Pumper's share of payment for SFPUC System Regional asset capital costs and associated operating expense categories under the WSA.

## **6.3. Accounting for In Lieu Water Delivered during Conjunctive Use Pilot Program**

During the Conjunctive Use Pilot Program, the SFPUC delivered In Lieu Water to the Participating Pumpers. The following quantities of water have been added to the SFPUC Storage Account as a result of the Conjunctive Use Pilot Program:

6.3.1. **Daly City** - During the Conjunctive Use Pilot Program, up until April 1, 2006, the SFPUC delivered 9,573 acre feet of In Lieu Water to Daly City, which paid for that water at the \$0.35 per unit rate established under the Conjunctive Use Pilot Program. That water, which is included as a credit balance to the SFPUC Storage Account, shall be pumped first at no charge to Daly City upon the future initiation of Recovery.

From April 1, 2006 through March 31, 2011, the SFPUC continued to periodically deliver In Lieu Water to Daly City at no charge, resulting in an additional credit of 7,864 acre feet in the SFPUC Storage Account. Those deliveries shall be credited to the SFPUC Storage Account, and, when Recovery is initiated, and after Daly City has received, at no charge, 9,573 acre feet stored under the Conjunctive Use Pilot Program, Daly City shall pay for groundwater



pumped from the SFPUC Storage Account as provided in **Section 6.4** of this Agreement.

**6.3.2. Cal Water** - During the first phase of the Conjunctive Use Pilot Program, between February 1, 2003 and November 30, 2003, the SFPUC delivered 802 acre feet of In Lieu Water to Cal Water, which paid for that water at the \$0.35 per unit rate established under the Conjunctive Use Pilot Program.

When the Conjunctive Use Pilot Program restarted on April 1, 2004, Cal Water did not participate and did not resume pumping any part of its Designated Quantity, but continued to rely on Wholesale Water for all of its water needs in its South San Francisco service area. This resulted in an increase in Basin water levels as if Cal Water had continued to participate in the Conjunctive Use Pilot Program, and a corresponding increase in the SFPUC Storage Account of 938 acre feet between April 1, 2004 and March 1, 2005. The SFPUC will reduce Cal Water's FY 2014-15 Wholesale Water billings by \$315,323 (three hundred fifteen thousand three hundred twenty three dollars), representing the difference between the rate charged for 938 acre feet of water delivered under the Conjunctive Use Pilot Program and the established FY 2003-04 and FY 2004-05 SFPUC Wholesale Water rates paid by Cal Water, as if Cal Water had continued to participate in the Conjunctive Use Pilot Program between April 1, 2004 and March 1, 2005. The SFPUC will make the credit adjustment to Cal Water's FY 2014-15 Wholesale Water account by no later than June 30, 2015. Following the SFPUC's adjustment of Cal Water's Wholesale Water payment balance to reflect the previous storage of 938 acre feet in the SFPUC Storage Account, the total quantity of water delivered to Cal Water between February 1, 2003 - November 30, 2003 and April 1, 2004 - March 1, 2005 (1,740 acre feet) shall be pumped first at no charge to Cal Water upon the future initiation of Recovery. The SFPUC shall reimburse Cal Water an amount not to exceed \$80,000 (eighty thousand dollars), based on invoices submitted and approved by the SFPUC, for design costs previously incurred by Cal Water as Project Capital Costs to evaluate the feasibility of co-locating Shared Facilities for Project Well no. 13 at Cal Water's existing South San Francisco water treatment facilities. Should Cal Water ultimately approve construction of these Shared Facilities, the SFPUC will contribute an additional amount not to exceed \$500,000 (five hundred thousand dollars) towards the total costs of Cal Water's Shared Facilities as a Project Capital Cost, and shall reimburse Cal Water for design and construction costs as a lump sum payment prior to construction, for a total potential not to exceed amount of \$580,000 (five hundred eighty thousand dollars). Operation and maintenance expenses incurred by Cal Water as a result of operating Shared Facilities for Project purposes as a Project Facility shall be reimbursed by the SFPUC as Project Operations and Maintenance Expenses in accordance with **Section 9.2**.

When Recovery is initiated, and after Cal Water has received, at no charge, 1,740 acre feet stored between February 1, 2003 and March 1, 2005, Cal Water shall

pay for groundwater pumped from the SFPUC Storage Account as provided in **Section 6.4** of this Agreement.

6.3.3. **San Bruno** - During the Conjunctive Use Pilot Program, up until March 1, 2005, the SFPUC delivered 3,915 acre feet of In Lieu Water to San Bruno, which paid for that water at the \$0.35 per unit rate established under the Conjunctive Use Pilot Program. That water, which is included as a credit balance to the SFPUC Storage Account, shall be pumped first at no charge to San Bruno upon the future initiation of Recovery.

When Recovery is initiated, after San Bruno has received, at no charge, 3,915 acre feet stored under the Conjunctive Use Pilot Program, San Bruno shall pay for groundwater pumped from the SFPUC Storage Account as provided in **Section 6.4** of this Agreement.

San Bruno and SFPUC agree to execute a memorandum of understanding that reflects the SFPUC's intent to provide for, or to construct at the SFPUC's expense, facilities for the emergency storage of one million gallons of water in pressure zone 1/4, or equivalent, during Storage Periods since San Bruno's Existing Facilities would not be immediately available to supply water during an emergency.

#### **6.4. Deferred Payment for Stored In Lieu Water Supplies**

Except as expressly provided in **Section 6.3** of this Agreement, a Participating Pumper will not pay for In Lieu Water at the time of delivery. Rather, payment will be deferred until Recovery by pumping. The SFPUC will bill, and the Participating Pumper will pay, for groundwater pumped by the Participating Pumper from the SFPUC Storage Account using Project Facilities at the then-applicable Wholesale Water rate established by the SFPUC. During Storage Periods, each Participating Pumper shall pay the established SFPUC Wholesale Water rate for all quantities of Wholesale Water that are delivered to it as a result of pumping from Existing Facilities at a rate less than its Minimum Groundwater Requirement.

#### **6.5. Accounting for Losses**

Groundwater modeling performed by the Parties as well as the Management Plan have determined that the Basin is not a closed basin. Therefore, the Operating Committee shall develop and adopt, and periodically revise, if necessary, a proposal for accounting for losses from the Basin under **Section 10.2.10**, including, if necessary, a reduction in the Aggregate Designated Quantity under **Section 4.7** or to the volume of water in the SFPUC Storage Account, which shall be consistent with generally accepted principles of groundwater accounting and management.

## **ARTICLE 7**

### **OWNERSHIP, OPERATION, MAINTENANCE AND REPLACEMENT OF EXISTING FACILITIES**

#### **7.1. Ownership, Operation, Maintenance and Replacement of Existing Facilities**

Each Participating Pumper will continue to own, operate, maintain and replace, if necessary, its Existing Facilities during the Term of this Agreement. This Agreement does not authorize nor prohibit the replacement of Existing Facilities, which shall be based solely on the discretion of each Participating Pumper following environmental review under CEQA, if necessary. Each Participating Pumper further agrees that it is solely responsible for all costs associated with the operation, maintenance, repair and replacement of its Existing Facilities, except to the extent authorized in **Section 9.2**.

#### **7.2. Operation and Maintenance of Existing Facilities**

Each Participating Pumper agrees, to the extent practicable and economically feasible, to operate, maintain, repair and replace its Existing Facilities (1) in accordance with this Agreement and applicable laws, rules, regulations, guidelines, well encrustation studies and prudent utility operator standards, including management of any Preexisting Conditions to avoid interference with Recovery of water from the SFPUC Storage Account; (2) in accordance with its agreed upon share of the Aggregate Designated Quantity set forth in **Section 4.5**; and (3) in a manner that will not cause Undesirable Effects on Project Wells or the wells of other Participating Pumps. The Participating Pumps agree to use best efforts to maintain their Existing Facilities in good repair so as to be fully capable of producing the Aggregate Designated Quantity set forth in **Section 4.5** during Recovery Periods.

7.2.1. During the period following the SFPUC's issuance of a Recovery Notice for a potential drought pursuant to **Section 5.2.1**, each Participating Pumper shall conduct such testing and perform all maintenance or rehabilitation work on its Existing Facilities that may be required to produce its agreed upon Designated Quantity by the date specified in the Recovery Notice and over successive years if the drought continues. Within 30 days of receipt of the initial Recovery Notice under **Section 5.2.1**, and during each successive drought year, each Participating Pumper shall submit a written report to the Operating Committee signed by its licensed system operator that describes (1) the condition of its Existing Facilities; (2) whether its Existing Facilities are capable of producing its Designated Quantity by the date specified in the Recovery Notice; and (3) what steps must be undertaken by the Participating Pumper to improve its Existing Facilities in the event that it cannot produce its Designated Quantity by the date specified in the Recovery Notice.

7.2.2. In the event that the initial or subsequent reports reveal that a Participating Pumper's Existing Facilities are not capable of producing its share of the Aggregate Designated Quantity, the Participating Pumper shall provide additional reports on a quarterly basis to the Operating Committee until it has resolved the problem, as certified by its licensed system operator.

7.2.3. In the event of the temporary outage of Existing Facilities, the Participating Pumper owning the Existing Facility shall notify the Operating Committee of the

nature and extent of the outage. To the extent the Participating Pumper is able to obtain permission for the use of alternative facilities owned by Nonparticipating Pumpers (such as cemetery or golf course wells) for the production of its Designated Quantity, the Participating Pumper may utilize such alternative facilities after notification to and review by the Operating Committee.

### **7.3. Failure to Maintain, Repair, or Replace Existing Facilities**

In the event that a Participating Pumper cannot provide certification by its licensed system operator that it has undertaken and completed the work identified in the initial report to the Operating Committee under **Section 7.2** by the date specified in the SFPUC's Recovery Notice under **Section 5.2.1**, the SFPUC shall have no obligation to increase the quantity of Wholesale Water available to the Participating Pumper under the Shortage Allocation Plan to make up any shortfall in the production of that Participating Pumper's Designated Quantity caused by the unavailability of its Existing Facilities.

### **7.4. Measurement of Water Pumped Using Existing Facilities**

All Parties shall install, maintain and use adequate measuring devices on all water pumped from Existing Facilities, New Wells, and Project Wells, and shall report accurate measurements of all water pumped from Existing Facilities, New Wells and Project Wells to any Party and the Operating Committee upon request. All meters shall be maintained to be accurate within plus or minus 2%.

### **7.5. Drilling and Operation of New Wells by Parties**

The SFPUC agrees not to construct or operate New Wells in the Basin other than (1) pursuant to this Agreement; (2) the certified Project final environmental impact report, and any addenda or supplements thereto; and (3) with the approval and agreement of the Participating Pumpers following amendment of this Agreement as provided in **Section 2.3**. Prior to drilling a test hole that may result in construction of a New Well, each Party proposing to construct and operate a New Well shall (i) provide written notice to the Operating Committee and the other Parties of its intent to do so; (ii) conduct environmental review to the extent required under CEQA of the impacts associated with construction and operation of the proposed New Well; (iii) if necessary, provide the Operating Committee with an analysis of mutual pumping interference effects between the proposed New Well and potentially affected Project Facilities and Existing Facilities operated by other Parties; and (iv) obtain a well construction permit from San Mateo County or the public entity with jurisdiction over well construction permits for the proposed New Well, if necessary. The Parties shall be given written notice and opportunity to comment on any environmental documentation prepared for a New Well within the time frame allowed for public comment under CEQA, and shall also be copied on any CEQA notices of exemption or notices of determination filed by a Party in connection with carrying out the approval of a New Well. All New Wells proposed by the Parties shall be located, constructed and operated in a manner that will not cause Undesirable Effects. Once operational, New Wells installed by the Participating Pumpers shall be considered to be Existing Facilities.



## **ARTICLE 8**

### **OWNERSHIP, INSTALLATION, OPERATION, AND MAINTENANCE OF PROJECT FACILITIES**

#### **8.1. Project Facilities**

Project Facilities, shown on the map attached as **Attachment C** and listed on **Attachment E**, are required to make use of 61,000 acre feet per year of the available storage capacity in the Basin by facilitating the simultaneous extraction of the Aggregate Designated Quantity by the Participating Pumpers from their Existing Facilities and stored SFPUC System Water by the Parties from Project Wells during Recovery Periods.

#### **8.2. Real Property Interests Required for Project Implementation**

Project Facilities may be located on lands within the service areas of the Participating Pumpers and/or on lands owned or acquired by the SFPUC. The SFPUC will acquire all real property interests that are necessary for the installation of, and access to, Project Facilities. The SFPUC agrees to grant suitable licenses to each Participating Pumper to the extent required for access to Project Facilities connected to a Participating Pumper's water distribution system. Each Participating Pumper agrees to grant the SFPUC suitable licenses for all Project Facilities on or across land owned by that Participating Pumper. All licenses exchanged by the Parties will follow the format used in **Attachment G**, subject to modification as necessary to address site specific needs and conditions. Each Participating Pumper further agrees to use reasonable best efforts to assist the SFPUC in securing fee title or easements for Project Facilities that may be located on property owned by other governmental entities within the service areas of the Participating Pumpers.

#### **8.3. Ownership of Project Facilities**

All Project Facilities will be owned by the SFPUC, subject to the limitations and restrictions within this Agreement.

#### **8.4. Installation of Project Facilities**

The SFPUC shall be solely responsible for the permitting, licensing, design, construction, and installation of Project Facilities under this Agreement. Each Participating Pumper shall have the right to approve the location of Project Facilities on land owned by such Participating Pumper, along with the design and the construction schedule for installation of any Project Facilities in its service area, which approvals shall not be unreasonably delayed or withheld. At the 10, 35, 65, 95 and 100% stages of design, the SFPUC will provide each Participating Pumper with the plans and specifications of work to be performed on the Participating Pumper's property or within its service area. Pending completion of design, the proposed location of Project Facilities is generally shown on the map attached as **Attachment C** and described in **Attachment E**. As set forth in **Section 12.3** of this Agreement, the SFPUC will require in all construction contracts for Project Facilities that the Participating Pumpers, and their respective officers, agents and employees, be named (1) as additional insureds on all required insurance policies, and (2) as additional indemnitees in any contractual indemnity provisions. Project Facilities constructed on land owned or acquired by the SFPUC shall be immune from San Bruno and Daly City planning,



zoning and building permit requirements pursuant to the doctrine of intergovernmental immunity set forth in the case law interpreting California Government Code §§53090 et seq.

**8.5. Provision of As-Built Drawings; Modifications to Project Facilities Following Completion**

Within three (3) months of completion and acceptance of Project Facilities (as reflected in a Resolution adopted by the SFPUC), the SFPUC shall deliver to each Participating Pumper a complete set of as-built drawings and specifications for all Project Facilities located within its service area. Should improvements and/or modifications be made to Project Facilities, the SFPUC will provide each Participating Pumper with revised as-built drawings and specifications within three (3) months of completing the improvements and/or modifications to Project Facilities.

**8.6. Operation and Maintenance of Project Facilities; Potential Undesirable Effects Associated with Operation of Project Facilities as Designed**

The Operating Committee will develop annual operation, maintenance and monitoring plans under the Project pursuant to Section 10.2.1. The Operating Committee will also develop annual operating schedules for each Supply Year during Recovery Periods, including projected groundwater storage and/or Recovery from Project Wells of any water available in the SFPUC Storage Account and pursuant to Section 10.2.2. Each Participating Pumper agrees to operate, maintain, and repair Project Facilities (except those Project Facilities connected to the SFPUC System transmission mains) that are connected to its distribution system as necessary to comply with the terms of this Agreement and to further the aims of the Project in accordance with applicable laws, rules, regulations, guidelines, and prudent utility operator and asset management standards, and in accordance with the annual operation, maintenance and monitoring plans approved by the Operating Committee under **Sections 10.2.1 and 10.2.2**. The SFPUC will operate, maintain and repair all Project Facilities connected to SFPUC System transmission mains. When the Project Facilities reach the end of their useful service lives, the SFPUC shall reasonably determine whether to replace or abandon all or any portion of Project Facilities.

8.6.1. The estimated pumping level drawdown effects upon Existing Facilities resulting from the future operation of Project Wells over a hypothetical seven and one-half year drought are set forth in **Attachments D-1, D-2 and D-3**. The Participating Pumpers agree that the estimated pumping water levels shown in **Attachments D-1, D-2 and D-3** are acceptable and will not cause any Undesirable Effects to their Existing Facilities.

8.6.2. Should actual operating experience of Project Wells cause greater pumping level drawdown effects than estimated in **Attachments D-1, D-2 or D-3**, that are determined by the Operating Committee to be Undesirable Effects, the Operating Committee shall have the authority to require the measures outlined in **Section 10.2.8** in order to eliminate or reduce the Undesirable Effect(s) to a less than significant level.

**8.7. Modifications to Participating Pumpers' Water Supply Permits Issued by the California State Water Resources Control Board**

Installation and operation of Project Facilities may require amendments to the Parties' drinking water supply permits issued by the Division of Drinking Water and Environmental Management

(DDWEM). The Parties will be solely responsible for obtaining any DDWEM permit modifications and for permit compliance related to the operation of Project Facilities connected to their water transmission and distribution systems. The SFPUC will assist in preparing exhibits required for the Participating Pumpers' permit amendment packages submitted to DDWEM. All costs incurred by the Parties in obtaining such permit modifications shall be considered Project Capital Costs. Each Party that operates Project Wells, and the downstream facilities that receive water from those Project Wells, shall be named as the Operator of Record in the modified water supply permits issued by DDWEM.

#### **8.8. Use of Project Facilities by Participating Pumpers for Non-Project Purposes**

The Participating Pumpers may use Project Facilities for non-Project purposes upon satisfaction of all of the following conditions precedent:

(a) the SFPUC has not issued a Recovery Notice directing the Participating Pumpers to pump water from the SFPUC Storage Account under **Section 5.3** of this Agreement;

(b) use of Project Facilities for non-Project purposes does not interfere with future Recovery under the Project, as determined by the Operating Committee;

(c) the quantity of water pumped using Project Facilities for non-Project purposes does not, when combined with pumping from Existing Facilities, exceed the Participating Pumper's Designated Quantity; and

(d) the Operating Committee has approved the proposed use of Project Facilities for non-Project purposes.

The Operating Committee will consider all requests for use of Project Facilities for non-Project purposes within 30 days. As of the Effective Date of this Agreement, the Parties do not contemplate any specific use of Project Facilities for non-Project purposes, but the Parties desire to incorporate a process for allowing such use should they decide to exercise their discretion to do so in the future following compliance with CEQA to the extent required. Except as approved by the Operating Committee, use of Project Facilities for non-Project purposes pursuant to this section shall not exceed thirty (30) days' duration. The approved use of Project Facilities for non-Project purposes is not subject to the limitation on Recovery set forth in **Section 5.7**, and groundwater pumped pursuant to this section will not be debited against the SFPUC Storage Account as provided in **Section 6.1.3**.

#### **8.9. Use of Project Facilities During an Emergency**

The Parties may use Project Facilities within their service areas without the advance approval of the Operating Committee for non-Project purposes during a local Emergency that does not result in the SFPUC issuing Recovery Notice under **Section 5.3**, provided that the Project Facilities are capable of operation during an Emergency. Such pumping may continue only for the duration of the Emergency. Within 48 hours of such Emergency, the Party or Parties shall notify and explain to the Operating Committee the basis of the Emergency. The Party will, at intervals established by the Operating Committee, report on its efforts to resolve the Emergency.

## ARTICLE 9

### PROJECT COST RECOVERY

#### 9.1. Project Capital Costs

The SFPUC will provide all funding required for payment of Project Capital Costs. To the extent that the Participating Pumpers directly provide in-kind services, real property, equipment assets in furtherance of the construction of Project Facilities, and Shared Facilities for Project purposes, the value of these contributions shall be included within Project Capital Costs. All Project Facilities listed on **Attachment E** will be classified as Regional SFPUC System assets for purposes of cost recovery under the WSA, unless indicated otherwise. The capital costs and operation expenses of Shared Facilities that are used and useful to a Participating Pumper irrespective of Project operations shall be allocated between the SFPUC and that Participating Pumper on the basis of mutual agreement or as otherwise specified in this Agreement. On an annual basis during construction of Project Facilities and Shared Facilities, the SFPUC will include information detailing estimated and actual Project Capital Costs in accordance with the requirements of WSA sections 5.04 and 6.08.

#### 9.2. Project Operation and Maintenance Expenses

The SFPUC shall annually reimburse each Participating Pumper for all Project Operation and Maintenance Expenses actually incurred in the operation and maintenance of Project Facilities and Shared Facilities for Project purposes. The SFPUC's reimbursement obligation does not extend to Project Operation and Maintenance Expenses incurred by the Participating Pumpers for the operation of Project Facilities for non-Project purposes permitted in **Sections 8.8 and 8.9**. By November First of each year during the Term, each Participating Pumper shall provide an estimated Project Operations and Maintenance Expenses budget to the Operating Committee for the coming Supply Year as referenced in **Section 10.2.1**. The Operating Committee, on a case-by-case basis, may also recommend that the SFPUC reimburse the Participating Pumpers for operations and maintenance expenses incurred in the operation of Existing Facilities that are attributable to Undesirable Effects caused by Project operations. A Participating Pumper requesting reimbursement of expenses for the operation and maintenance of Existing Facilities shall certify that it has been operating and maintaining its Existing Facilities in a reasonable and prudent manner, including but not limited to management of the effects of Preexisting Conditions. All Project Operation and Maintenance Expenses, including expenses incurred by the SFPUC for the operation and maintenance of Project Wells connected to SFPUC System transmission mains, shall be considered Regional operation and maintenance expenses under WSA section 5.05, as further detailed in **Attachment F**. Project Operation and Maintenance Expenses incurred by a Participating Pumper in the operation of Shared Facilities shall be allocated based on the proportionate use of Shared Facilities for Project purposes. After the close of each Supply Year on June 30, each Participating Pumper shall submit an accounting, including invoices and other documentation, supporting its actual Project Operation and Maintenance Expenses over the preceding Supply Year to the SFPUC. Accounting detail submitted by a Participating Pumper for reimbursement of annual Project Operation and Maintenance Expenses shall be of sufficient detail to permit the SFPUC to properly allocate these expenses between (1) the SFPUC's retail and wholesale water customers under the WSA and (2) Project Facilities, Shared Facilities, and the Participating Pumper's Existing Facilities. The SFPUC shall reimburse each Participating Pumper for incurred Project Operation and Maintenance Expenses within sixty (60) days of receipt of the annual accounting. In the alternative, the SFPUC may, with the agreement of the Participating Pumper, reimburse the Participating Pumper for the previous fiscal year's Project Operation and Maintenance Expenses as one or more credits on monthly invoices for Wholesale Water over the course of the following



Fiscal Year. Disputes between the SFPUC and one or more Participating Pumpers concerning the reimbursement or accuracy of accounting of annual Project Operation and Maintenance Expenses will be resolved by the Operating Committee, or pursuant to **Section 12.1**.

### **9.3. Use of Project Facilities by Participating Pumpers for Non-Project Purposes**

If the temporary use of Project Facilities by a Participating Pumper for non-Project purposes is approved by the Operating Committee under **Section 8.8** of this Agreement, or is approved by the SFPUC during a local Emergency under **Section 8.9**, the Participating Pumper shall deduct a proportionate share of operation and maintenance expenses reflecting such operation from the annual total of Project Operations and Maintenance Expenses submitted to the SFPUC for reimbursement under **Section 9.2**.

### **9.4. Metering of Project Facilities Operated During Recovery Periods by the SFPUC**

The metered volume of water pumped from Project Wells connected to SFPUC transmission mains pursuant to **Section 5.6** shall be used to account for pumping of water for Project purposes as provided in **Section 6.1.2**. Meters that measure the flow of water pumped during Recovery Periods that is added to SFPUC transmission lines shall be considered new "System Input Meters" in accordance with Section 3.14 and Attachment J of the WSA.

## **ARTICLE 10**

### **OPERATING COMMITTEE**

#### **10.1. Composition of Operating Committee**

Upon the Effective Date of this Agreement, the Parties shall form a four member Operating Committee comprised of one representative each from the Participating Pumpers and the SFPUC. For decisions requiring a majority vote, the Operating Committee shall select a neutral fifth member not currently employed by or serving as a consultant to any of the Parties to serve as a tie-breaker as necessary in the event of a deadlock between the other members of the Operating Committee. The neutral fifth member may be employed by, or a consultant to, the Bay Area Water Supply and Conservation Agency. If a majority of members of the Operating Committee cannot agree to the identity of the neutral fifth member, the name shall be selected at random from the list of names proposed by members of the Operating Committee. The fifth member of the Operating Committee shall have no voting authority apart from serving as a tie-breaker. All 5 members of the Operating Committee shall have experience and technical expertise in water supply, groundwater wells and pump operations.

#### **10.2. Duties and Powers of Operating Committee**

The Management Plan contains Basin Management Objectives that are consistent with the sustainable management of the Basin. The Operating Committee will consider, but not be bound by, (1) the Basin Management Objectives and (2) the Mitigation, Monitoring and Reporting Program adopted by the SFPUC as a binding commitment in Resolution No. 14-0127 in making the decisions authorized in Article 10 of this Agreement. The duties and powers of the Operating Committee are limited to the following.

- 10.2.1. Development of annual Project operation, maintenance and monitoring plans, and estimated budgets for these activities, as set forth in **Section 8.6** and **Section 9.2**, to ensure proper management of the Project, including protocols for reporting collected data back to the Operating Committee by the Parties, review of operation, maintenance and monitoring plans submitted by the Parties, and recovery of Project Operations and Maintenance Expenses. The annual plans required by this section shall be completed by December 1 of each year.
- 10.2.2. Development of Project Well operating schedules during Recovery Periods by May 1<sup>st</sup> of each drought year that projects Recovery, including where such pumping shall occur, in what quantities, and any redirection or reduction in pumping to avoid Undesirable Effects or well interference impacts identified in the Project Mitigation, Monitoring and Reporting Program, subject to the sole discretion of the SFPUC to determine the volumes of In Lieu Water available for Storage and subsequent Recovery of any water available in the SFPUC Storage Account under **Articles 4** and **5** of this Agreement. Project Well operating schedules for non-drought Shortages under **Sections 5.2.2** and **5.2.3** shall be developed and approved by the Operating Committee on an as-needed basis.
- 10.2.3. Review of (1) annual reports submitted by the Participating Pumpers' licensed operators certifying that the Existing Facilities within their respective service areas are capable of operation during droughts in compliance with the standards set forth in **Section 7.2** of this Agreement; and (2) a Participating Pumper's proposed use of facilities owned by Nonparticipating Pumpers as required to pump Designated Quantities due to the unavailability of the Participating Pumper's Existing Facilities referenced in **Section 7.2** of this Agreement.
- 10.2.4. Review and approval of a request by a Participating Pumper to use Project Facilities for non-Project purposes, under the conditions set forth in **Section 8.8**.
- 10.2.5. Review and approval of a Participating Pumper's request for an increase in its Minimum Groundwater Requirement, pursuant to **Section 4.3**.
- 10.2.6. Monitoring pumping from all Existing and Project Facilities within the Basin to evaluate water quality trends and whether increases in the volume of water produced are occurring, including any Over Production in pumping from Existing Facilities resulting from higher Basin operating levels attributable to Storage under the Project. In response to changed conditions within the Basin, the Operating Committee may make recommendations to the Parties as to whether any action or changes in Project water accounting rules set forth in **Section 6.1** may be necessary to protect the Recovery of SFPUC Storage Account Water and Designated Quantities or to ensure the recovery of Project costs in accordance with Article 9 of this Agreement.
- 10.2.7. Approval of pumping Project Wells outside of Recovery Periods for Project management pursuant to **Section 5.2.3**.



- 10.2.8. Determining whether the operation of Project Wells caused Undesirable Effects on Existing Facilities under **Section 8.6** and identifying measures that the SFPUC must take to reduce or eliminate such Undesirable Effects and otherwise avoid harm to the Participating Pumpers and ensure long-term viability of the Basin as a drinking water supply. To the extent that the Operating Committee determines that the pumping of any Project Well caused Undesirable Effects, the Operating Committee may require one or more of the following actions, subject to necessary CEQA compliance: (1) redirect pumping to other Project Facilities; (2) reduce pumping at particular Project Well(s) while preserving the cumulative ability of the SFPUC to order the extraction of up to 8,100 acre feet annually from the SFPUC Storage Account; (3) modification of Existing Facilities as a Project Capital Cost (e.g., resetting pumps, installing water treatment facilities, vacuum pumps etc.); (4) reimbursement of additional cost as a Project Operation and Maintenance Expense under **Section 9.2**; or (5) such other remedy as may be appropriate.
- 10.2.9. Request and approval of studies and such technical support as is necessary to assist in Project management, conduct required monitoring, to refine Project goals and operations, to use the Basin more effectively, and to identify and address potential problems. Technical support may be provided by employees of the Parties or by third-party contractors. The costs of all technical support authorized by the Operating Committee shall be deemed a Project Operations and Maintenance Expense.
- 10.2.10. Determine the appropriate methodology of accounting for losses from the Basin under **Section 6.5**.
- 10.2.11. Review of information provided by the Parties required under **Section 7.5** concerning proposed New Wells.
- 10.2.12. Increases in the limitation on adjustments to Designated Quantities expressed in **Section 4.5** and the Aggregate Designated Quantity, using the criteria set forth in **Section 4.6**; reductions in the Aggregate Designated Quantity as provided in **Section 4.7**, and the approval of actions to remedy Over Production that is delegated to the Operating Committee under **Section 4.8.3**.

### **10.3. Operating Committee Decision-Making**

The development of Project Well operating schedules under **Section 10.2.2** during Recovery Periods, and the decisions delegated to the Operating Committee in **Sections 10.2.5, 10.2.7, 10.2.10, and 10.2.12**, shall require unanimous approval of the Operating Committee. All other decisions of the Operating Committee shall be by majority vote of the members of the Operating Committee, utilizing the fifth tie-breaker vote as necessary. For all matters, each member of the Operating Committee shall: (a) act in good faith; (b) utilize the best available scientific evidence relevant to the matter including but not limited to data and analysis generated by numeric models that meet prevailing industry standards for accuracy and reliability; and (c) ensure that the Storage and Recovery of water under the Project avoids Undesirable Effects to the Basin as well as ensure the long-term viability of the Basin as a drinking water supply. A minority of Operating Committee members may request voluntary mediation of certain disputes as described in **Section 12.1** of this Agreement.

#### **10.4. Schedule for Meetings of Operating Committee**

The Operating Committee shall meet within thirty days after the Effective Date of this Agreement, and thereafter as often as necessary to implement operations and take other action under this Agreement, but shall meet at least twice a year.

#### **10.5. Minutes of Operating Committee Meetings**

Minutes of all Operating Committee Meetings shall be kept and shall reflect a summary of all proceedings, actions and recommendations taken by the Operating Committee. Copies thereof shall be furnished to all Parties.

#### **10.6. Duty of Each Party to Monitor Conjunctive Use Project Performance**

Each Party has an independent obligation to review all monitoring information reported to the Operating Committee. If any Party believes that the Storage and Recovery of water under the Project is causing Undesirable Effects to its Existing Facilities, that Party shall promptly advise the Operating Committee.

### **ARTICLE 11**

#### **DEFAULTS AND REMEDIES**

##### **11.1. Remedies upon Termination**

Notwithstanding anything to the contrary herein, if one or more of the Participating Pumpers breaches any provision of this Agreement, or invokes the existence of a Force Majeure Event under **Section 12.14**, the SFPUC may terminate this Agreement with respect to the Party or Parties by written notice to the Participating Pumpers.

11.1.1. If the SFPUC terminates this Agreement due to the occurrence of a Force Majeure Event or breach by one or more of the Participating Pumpers, any credit balance in the SFPUC Storage Account shall remain the property of the SFPUC, along with the ownership of all Project Facilities within such Party or Party's service area(s). Upon such termination, the SFPUC may in its sole discretion extract any stored water reflected as a credit balance in the SFPUC Storage Account using the Project Wells referenced in **Section 5.6** of this Agreement until there is no remaining water in the SFPUC Storage Account. Alternatively, in its sole discretion, the SFPUC may require the breaching Party or Parties, or Party(ies) subject to a Force Majeure Event, to purchase from the SFPUC the remaining balance of any water in the SFPUC Storage Account that is attributable to Storage of In Lieu Water by that Party, based on the applicable wholesale water rate for that water as provided in **Section 6.4** of this Agreement.

11.1.2. In the event that this Agreement is terminated under this section 11.1 or Section 12.14, the provisions of WSA Section 3.17, as it may be amended by the SFPUC and its wholesale customers, shall govern (1) the disposition of the balance of water in the SFPUC Stored Water Account; (2) the allocation of outstanding eligible Project Operations and Maintenance Expenses; and (3) the disposition of investments in Project Capital Costs by the SFPUC should the Project Facilities no longer be used to benefit wholesale or retail customers of the

SFPUC System. Upon the termination of this Agreement the SFPUC shall otherwise have no right, claim or interest in the Basin, credit or storage balances in the Basin, or water in the Basin, pursuant to this Agreement.

#### **11.2. Remedies are Cumulative**

The rights and remedies of the Parties are cumulative, and the exercise by any Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same breach or any other breach by the other Party.

### **ARTICLE 12**

#### **MISCELLANEOUS PROVISIONS**

##### **12.1. Dispute Resolution**

If (1) any dispute arises between or among the Parties regarding interpretation or implementation of this Agreement that does not concern a decision of the Operating Committee; or (2) one or more Parties file a written appeal with the Operating Committee within 14 days of an Operating Committee decision or action subject to majority vote; or (3) the members of the Operating Committee cannot achieve unanimity as described in **Section 10.3**; or (4) one or more Parties decline to follow a decision or action of the Operating Committee; or (5) one or more Parties asserts that the Operating Committee is acting beyond the scope of its authority as specified in this Agreement, the Parties will, in the first instance, attempt in good faith to resolve the dispute through their chief executive officers or their designees. If the chief executive officers cannot forge a consensus on the disputed issue, the matter shall be referred for non-binding mediation to a single mediator who will have technical expertise in groundwater management and/or public utility accounting practices. The mediator will be selected by unanimous consent of the Parties, but if unanimous consent of the Parties cannot be obtained the mediator will be selected by a majority vote of the Parties from a list of mediators maintained by the Operating Committee based on the qualifications set forth in this **Section 12.1**. Any Party may commence mediation by providing to the other Parties a written request for mediation, setting forth the subject of the dispute and the relief requested. The non-binding mediation will be governed by the American Arbitration Association's Commercial Mediation Procedures. If the dispute is not resolved by mediation, each Party will be free to pursue whatever legal or equitable remedies may be available. The fees and expenses incurred as a result of any dispute resolution activities, including attorney's fees, mediator fees and costs, expert costs, and other expenses, shall be borne solely by the Parties involved in the dispute. The Parties involved in the dispute will share the mediator's expenses on an equal basis.

##### **12.2. Mutual Indemnity**

Each Party agrees to indemnify, defend, and hold the other Parties and their respective officers, employees and agents free and harmless from and against any and all loss, liability, expense, claims, costs, suits and damages, including attorney's fees, arising out of that Party's willful misconduct or negligent acts, errors, or omissions in its operation and maintenance of Existing Facilities, Shared Facilities or Project Facilities under **Articles 7 and 8** of this Agreement.

### **12.3. Insurance and Indemnity Provisions Applicable to Construction of Project Facilities**

The SFPUC and the Participating Pumpers agree to the following provisions concerning insurance coverage and indemnity during the construction of Project Facilities.

12.3.1. Commencing from the date of Project approval by the SFPUC, every contract issued by the SFPUC for construction of Project Facilities (including associated professional services, environmental consultants, and other contracts required for construction of Project Facilities) shall require the contractor to maintain in force during the course of the contract all customary insurance required by the SFPUC, and shall include coverage for worker's compensation, commercial general liability insurance, automobile liability insurance and professional liability insurance. Each contractor's general, automobile, and professional liability insurance policies shall name as additional insured each Participating Pumper, and its officers, agents and employees.

12.3.2. Commencing from the date of Project approval by the SFPUC, every contract issued by the SFPUC for construction of Project Facilities (including associated professional services, environmental consultants, and other contracts required for construction of the Project) shall contain language requiring the contractor to indemnify, defend and hold harmless the SFPUC and each Participating Pumper for any and all claims for bodily injury or property damage arising out of the contractor's performance of work in constructing or installing Project Facilities or providing support services required for Project implementation.

### **12.4. Workers' Compensation Insurance for Project Operation**

Each Party will provide to the other Parties evidence of Workers' Compensation insurance prior to entering into this Agreement. With respect to employees of a particular Party who are employed as operators of Project Facilities, the other Parties shall not be considered joint employers of any such employees, who shall be solely managed and controlled by each individual Party. Each Party agrees to maintain in force, during the term of this Agreement, Workers' Compensation insurance, in statutory amounts, with Employers' Liability Limits of not less than \$1,000,000 each accident.

The cost of Workers' Compensation insurance applicable to the Parties' operation of Project Facilities shall be considered a Project Operations and Maintenance Expense. Approval of Workers' Compensation insurance by the SFPUC shall not relieve or decrease the liability of each Participating Pumper hereunder. In the event that any employee of a Party files a Workers' Compensation claim against another Party, the Party whose employee filed the claim agrees to indemnify, defend and hold harmless the other Parties for any such claims as provided in **Section 12.2** of this Agreement.

### **12.5. Right to Adjudicate; Limited Waiver of Prescriptive Rights Claims; No Intent to Abandon**

12.5.1. Each Party reserves all rights to initiate or participate in a general adjudication of Basin groundwater rights. Nothing in this Agreement shall limit in any way any rights or interests that the Parties may assert related to the use or management of the Basin in the event of a general adjudication of Basin



groundwater rights, apart from the waiver of prescriptive rights claims set forth in section 12.5.2.

12.5.2. In the event of a general adjudication of Basin groundwater rights, including adjudication of issues pertaining to Basin use or management, (i) unless directed otherwise by a court or regulatory agency, the Participating Pumpers agree that the SFPUC will retain the right to any credit balance in the Storage Account, and the right to continue Storage and Recovery of up to 61,000 acre feet of water in the Basin using Project Facilities; (ii) the SFPUC expressly waives the right to store additional water in the Basin without the express written consent of all Parties effective through written amendment of this Agreement in accordance with **Section 2.2**; and (iii) each Party to this Agreement expressly waives any and all claims to prescriptive groundwater rights against the other Parties based on the production or use of groundwater pursuant to this Agreement; provided, however, that the Participating Pumpers reserve and retain all other claims to prescriptive groundwater rights which they may possess as of the Effective Date.

12.5.3. The failure of any Participating Pumper to use all of its Designated Quantity for any amount of time during periods of In Lieu Water delivery shall not be deemed to be or constitute an abandonment of such Participating Pumper's Designated Quantity.

12.5.4. The Parties agree that each Participating Pumper may file notices of reduction of groundwater use as a result of the use of an alternative supply of water from a nontributary source, pursuant to California Water Code Section 1005.1.

12.5.5. The SFPUC recognizes that it cannot and will not assert any claim to water in the Basin, including, but not limited to, as an overlying owner, pumper, or appropriator, except as expressly authorized under this Agreement or to the extent any such right exists as a result of the SFPUC's rights to the North Westside Basin.

## **12.6. Nonparticipating Pumpers**

A Nonparticipating Pumper may become a Party to this Agreement if agreed to by all Parties in a written modification to this Agreement, as provided for in **Section 2.3**, subject to any additional terms or conditions agreed to by the Parties.

## **12.7. More Favorable Terms**

If, at any time during the term of this Agreement, the SFPUC enters into an agreement with another party who is not signatory to this Agreement with respect to use of the Basin for a conjunctive use Project, and such agreement contains price, quantity, or other material terms that are more favorable than the terms extended to a Participating Pumper under this Agreement, the Parties will immediately modify this Agreement to extend the more favorable terms to Participating Pumpers.

## **12.8. Assignment**

No Party shall transfer this Agreement, in whole or in part, or any of its interests, to any other person or entity without the prior written consent of the other Parties. Any attempt to transfer or



assign this Agreement, or any privilege hereunder, without such written consent shall be void and confer no right on any person or entity not a Party to this Agreement.

#### **12.9. Successors**

This Agreement shall bind and inure to the benefit of the Parties and their respective successors and permitted assigns.

#### **12.10. Entire Agreement**

This Agreement constitutes the entire agreement between the Parties pertaining to the matters provided for herein and, except as herein provided, supersedes all prior and/or contemporaneous agreements and understandings, whether written or oral, between the Parties related to the matters provided for herein.

#### **12.11. Severability**

Should any provision of this Agreement prove to be invalid or illegal, such invalidity or illegality shall in no way affect, impair or invalidate any other provisions hereof, and such remaining provisions shall remain in full force and effect; provided, however, if the illegality or invalidity of any provision undermines the intent of the Parties, then the Parties shall attempt in good faith to amend the Agreement in order to fulfill the intent of the Parties. If the Parties are unable to so amend the Agreement, then the Agreement shall terminate and be of no further force or effect.

#### **12.12. Counterparts**

This Agreement, and any document or instrument entered into, given or made pursuant to this Agreement or authorized hereby, and any amendment or supplement thereto, may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

#### **12.13. Notice**

Formal written notices, demands, correspondence and communications between the Parties authorized by this Agreement shall be sufficiently given if personally delivered or dispatched by registered or certified mail, first-class, postage prepaid, return receipt requested, to the Parties as follows:

To the SFPUC:      Steve Ritchie  
Assistant General Manager, Water Enterprise  
San Francisco Public Utilities Commission  
525 Golden Gate Avenue, 13th Floor  
San Francisco, CA 94102  
email: [sritchie@sfwater.org](mailto:sritchie@sfwater.org)

With a copy to:  
San Francisco City Attorney's Office  
Attn.: Utilities General Counsel  
Room 234 City Hall  
1 Carlton B. Goodlett Place  
San Francisco, CA 94102

To Daly City: Patrick Sweetland  
Director of Water and Wastewater Resources  
City of Daly City  
153 Lake Merced Blvd.  
Daly City, CA 94015  
email: [psweetland@dalycity.org](mailto:psweetland@dalycity.org)

With a copy to:  
Rose Zimmerman  
City Attorney  
City of Daly City  
233 90th Street  
Daly City, CA 94015  
email: [rzimmerman@dalycity.org](mailto:rzimmerman@dalycity.org)

To San Bruno: Constance C. Jackson  
City Manager  
567 El Camino Real  
San Bruno, CA 94066

With a copy to:  
Marc Zafferano  
City Attorney  
567 El Camino Real  
San Bruno, CA 94066

To Cal Water: Anthony Carrasco, District Manager  
California Water Service Company  
Bayshore District  
341 North Delaware Avenue  
San Mateo, CA 94401-1727  
email: [acarrasco@calwater.com](mailto:acarrasco@calwater.com)

With a copy to:  
Lynne McGhee, Corporate Secretary and Associate  
Corporate Counsel  
1720 North First Street  
San Jose, CA 95112-4508

email: [lmcghee@calwater.com](mailto:lmcghee@calwater.com)

#### **12.14. Force Majeure**

12.14.1. Excuse from Performance. No Party shall be liable in damages to any other Party for delay in performance of, or failure to perform, its obligations under this Agreement, if such delay or failure is caused by a Force Majeure Event.

12.14.2. Notice. The Party claiming excuse shall deliver to the other Parties a written notice of intent to claim excuse from performance under this Agreement by reason of a Force Majeure Event. Notice required by this section shall be

given as promptly and as reasonably possible in light of the circumstances. Such notice shall describe the Force Majeure Event, the services impacted by the claimed event, the length of time that the Party expects to be prevented from performing, and any steps which the Party intends to take to attempt to restore its ability to perform.

12.14.3. Ability to Perform. Any suspension of performance by a Party pursuant to this section shall be only to the extent, and for a period of no longer duration than, required by the nature of the Force Majeure Event, and the Party claiming excuse shall use its best efforts to remedy its inability to perform as quickly as possible.

12.14.4. If the Party claiming a Force Majeure Event is not able to restore its ability to perform its obligations within one year after giving notice pursuant to Section 12.14.2, it may elect to terminate its participation in the Project. The Party claiming excuse will thereafter give an additional 60 days written notice of said termination to the Parties and the Operating Committee.

12.14.5. In the event that a Party terminates participation in this Agreement under section 12.14.4, the provisions of WSA Section 3.17 and section 11.1 of this Agreement shall govern the disposition of investments in Project Capital Costs, allocation of outstanding eligible Project Operations and Maintenance Expenses, and the balance of water in the SFPUC Storage Account.

#### **12.15. Maintenance and Inspection of Books, Records and Reports**

The Participating Pumpers shall maintain careful, accurate and complete records of all receipts and disbursements made for (1) reimbursable Project Operations and Maintenance Expenses authorized under **Section 9.2** and detailed in **Attachment F**; and (2) expenses related to use of Project Facilities for non-Project purposes authorized under **Section 9.3**. During regular office hours, and upon reasonable notice, the Parties shall have the right to inspect and make copies of any books, records, and reports pertaining to this Agreement or related matters in the possession of the other Parties at the inspecting Party's cost. The SFPUC and its agents may conduct audits of the Participating Pumpers during the term of this Agreement for the purpose of ensuring that Project Operations and Maintenance Expenses incurred by the Participating Pumpers are eligible for reimbursement in accordance with **Attachment F**, and to ensure that any expenses incurred by the SFPUC due to the Participating Pumpers' operation of Project Wells for non-Project purposes are repaid to the SFPUC. The Participating Pumpers agree to cooperate with the SFPUC in connection with any such audit. All costs incurred by the Participating Pumpers that are associated with responding to an audit by the SFPUC shall be considered Project Operation and Maintenance Expenses.

#### **12.16. Governing Law; Venue**

The laws of the State of California shall govern the interpretation and enforcement of this Agreement. The Parties agree that Santa Clara County is an appropriate neutral county in the event one Party seeks to change venue under Code of Civil Procedure section 394.

#### **12.17. Effect of Agreement on WSA**

The provisions of this Agreement do not affect, change or modify any section, term or condition of the WSA. In the event of any conflict between this Agreement and the terms of the WSA, the terms of the WSA shall control.

#### **12.18. Compliance with Raker Act**


Nothing in this Agreement shall be construed to authorize or result in delivery of SFPUC System Water to the California Water Service Company in violation of section 6 of the Raker Act (38 Stat. 242).

#### **12.19. Cooperation in Implementation of Project Mitigation Measures**

The Participating Pumpers acknowledge the mitigation measures set forth in the Project final environmental impact report and Mitigation, Monitoring and Reporting Program adopted by the SFPUC as part of Project approval, and agree to cooperate with the SFPUC in complying with such measures to the extent that they are under the control of, or are the responsibility of, one or more of the Participating Pumpers. Any costs or expenses associated with such compliance and cooperation shall be the responsibility of the SFPUC, and the SFPUC must reimburse the Participating Pumpers for such costs and expenses as a component of Project Capital Costs.

[This space left intentionally blank; signature pages follow]

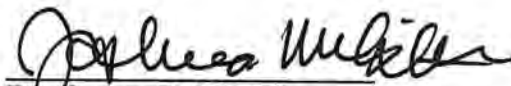
**SAN FRANCISCO PUBLIC UTILITIES  
COMMISSION**

By:   
Harlan L. Kelly, Jr.  
General Manager

Authorized by SFPUC Res. No. 14-0127 Dated August 12, 2014

Approved as to form:

DENNIS J. HERRERA  
City Attorney

  
By: Joshua D. Milstein  
Deputy City Attorney

**CITY OF DALY CITY**

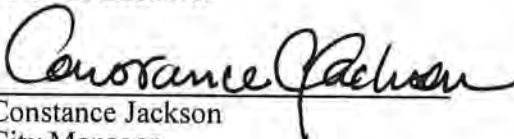
By:   
Patricia Martel  
City Manager

Authorized by City Council Res. No. 14-153 Dated: September 8, 2014

Approved as to form:

  
Rose Zimmerman  
City Attorney

**CITY OF SAN BRUNO**

By:   
Constance Jackson  
City Manager

Authorized by City Council Res. No. 2014-103 Dated: September 23, 2014

Approved as to form:

  
Marc Zafferao  
City Attorney



1875

1876

1877

1878

1879

1880

1881

**CALIFORNIA WATER SERVICE COMPANY**

By:



Martin Kropelnicki, President and Chief Executive Officer

Dated: 12-16-14

Approved as to form:



Lynne McGhee, Vice President and General Counsel

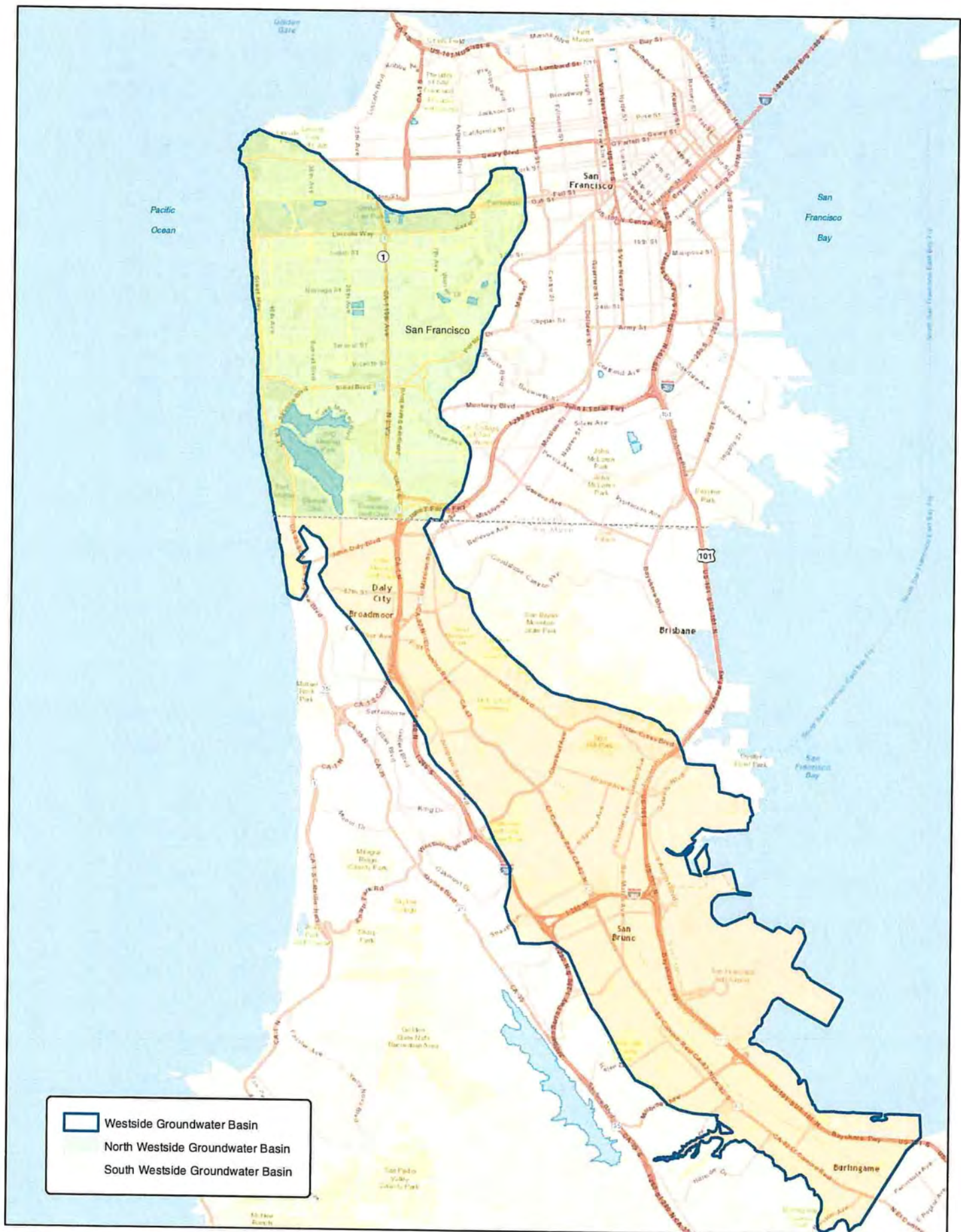


## **ATTACHMENT A**

### **Map of southern portion of Westside Groundwater Basin**







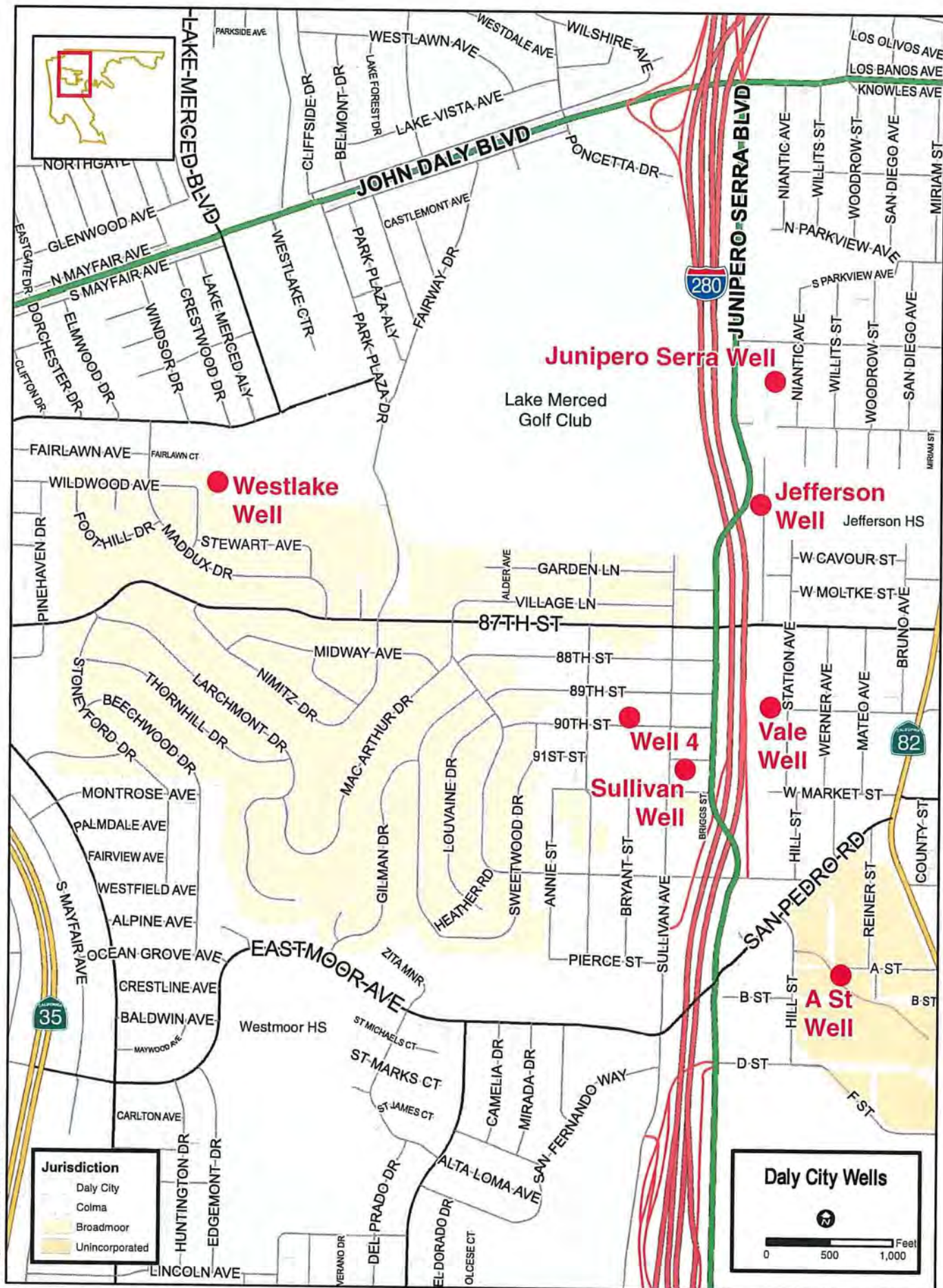


## **ATTACHMENT B**

**Maps Showing Existing Facilities Within the Service Area of Each Participating Pumper**







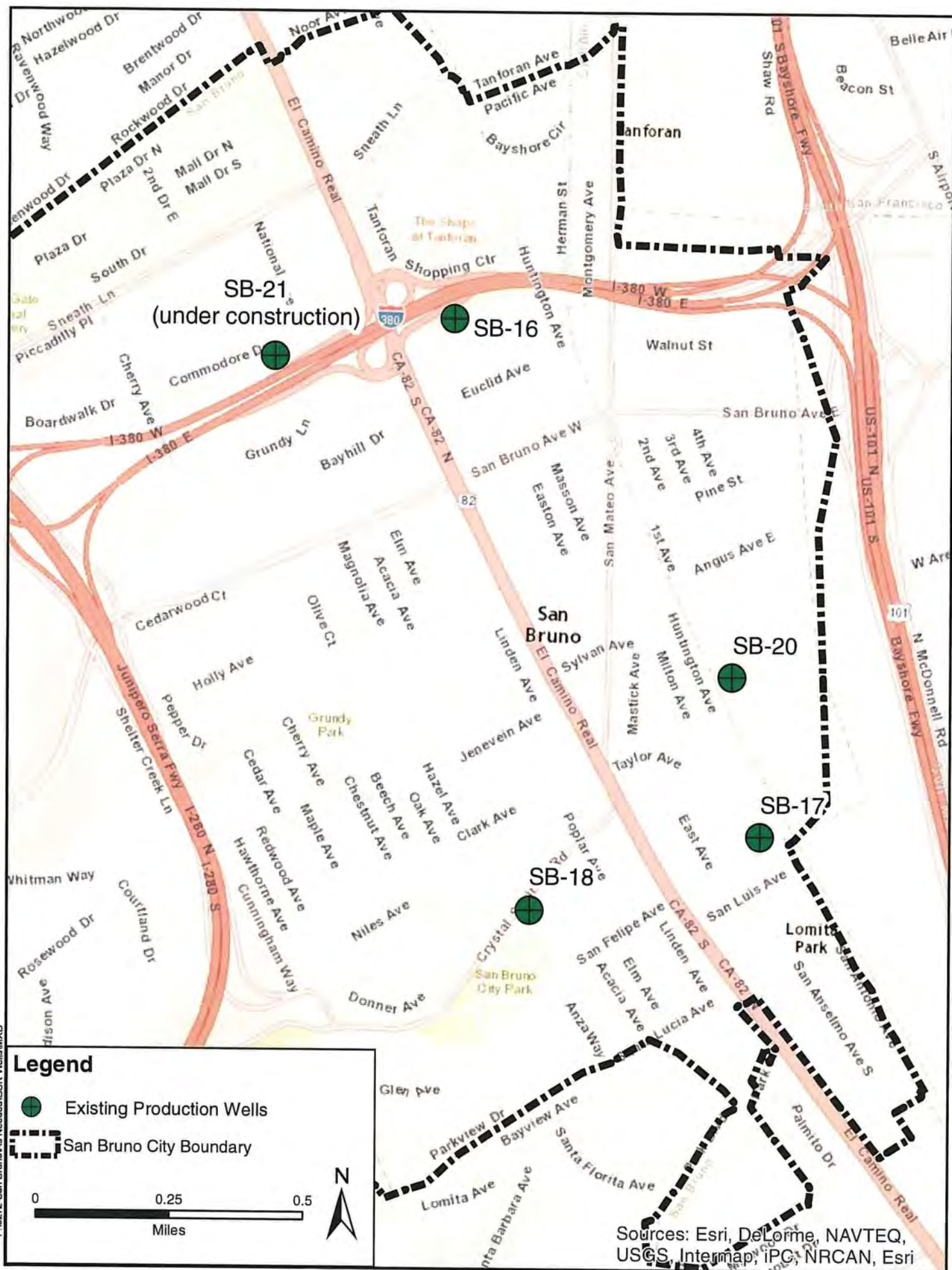












September 8, 2014  
F:\0272-San Bruno\As Needed\GSR Wells\MXD

### Legend

- Existing Production Wells
- San Bruno City Boundary

0 0.25 0.5  
Miles



Sources: Esri, DeLorme, NAVTEQ, USGS, Intermap, IPC, NRCAN, Esri





## **ATTACHMENT C**

**Map of southern portion of Westside Groundwater Basin showing Project Facilities**









Map & EIR No.	CUP SITE No.	Site Name	Operator / SWRCB Permittee	Planned Treatment
1	CUP-3A	Lake Merced Golf Club	SFPUC	Disinfection, Fluoridation and pH control
3	CUP-5	Ben Franklin Intermediate School	Daly City	Connection to Daly City's Existing Westlake Pump Station. Disinfection and Fluoridation at Westlake. (CUP-07 is on hold Pending results of CUP-5 and CUP-6)
2	CUP-6	Park Plaza Meter	Daly City	
4	CUP-7	Garden Village Elementary School	Daly City	
5	CUP-10	ROW at Serra Bowl	SFPUC	Connection at New Colma BART Well Station. Disinfection, pH Control, and Fluoridation.
6	CUP-11	ROW at Colma BART	SFPUC	
7	CUP-18	ROW at Colma Boulevard	SFPUC	
8	CUP-19	ROW at Serramonte Boulevard	Cal Water	Disinfection
9	CUP-22	ROW at Hickey Boulevard	Daly City	Disinfection and Fluoridation
10	CUP-23	Treasure Island Trailer Court	SFPUC	Disinfection, Fluoridation, pH Control, and Manganese Filtration
11	CUP-31	SSF Main Area	Cal Water	Disinfection and Manganese Filtration (Currently, working with Cal Water to design piping raw groundwater to Cal Water's Station 1 for treatment).
12	CUP-36-1	ROW at Funeral Home	SFPUC	Disinfection and pH Control
13	CUP-41-4	ROW at SSF Linear Park	San Bruno	Disinfection and Manganese Filtration
14	CUP-44-1	Golden Gate National Cemetery (South)	San Bruno	Disinfection and Manganese Filtration
15	CUP-44-2	Golden Gate National Cemetery (North)	San Bruno	Pipe raw groundwater to CUP-44-1. US Dept of VA indicates this site is not viable.
16	CUP-M-1	Orchard Supply Hardware	SFPUC	Disinfection and pH Control



## ATTACHMENT D – 1

### Daly City

**Individual Water Supply Guarantee:** 4.292 mgd

**Initial Designated Quantity:** 3,840 acre-feet per year (3.43 mgd)

**Minimum Groundwater Requirements under Section 4.3 of this Agreement:** 20% of 3.43 mgd, or 0.686 mgd

**Minimum Surface Water Requirements under Section 5.5 of this Agreement:** 28% of Wholesale Water deliveries

**Well-by-well estimates of acceptable pumping water levels during simultaneous operation of Existing and Project Wells during Recovery Periods:**

Well Name	Pumping Water Level(feet below ground surface)
Sullivan Avenue	TBD
Well No. 4 (well is planned for replacement by Daly City)	358
Jefferson	460
Junipero Serra	433
Vale	405
Westlake	411

Reference: Daly City Well and Pump Operations During Planned Conjunctive Use Program Implementation (LSCE, June 27, 2008).



## ATTACHMENT D – 2

### Cal Water – South San Francisco and Colma Service Areas

**Individual Water Supply Guarantee:** 35.68 mgd (applies to all Cal Water Service Areas)

**Initial Designated Quantity:** 1,534 acre-feet per year (1.37 mgd)

**Minimum Groundwater Requirements under Section 4.3 of this Agreement:** 20% of 1.37 mgd or 0.27 mgd

**Minimum Surface Water Requirements under Section 5.5 of this Agreement:** 1.37 mgd

**Well-by-well estimates of acceptable pumping water levels during simultaneous operation of Existing and Project Wells during Recovery Periods:**

Well Name	Pumping Water Level (feet below ground surface)
SS 1-20	405
SS 1-21	450
SS 1-22	430
SS 1-23	440
SS 1-24 (replaces well 1-15 in 2015)	440
SS 1-25 (replaces 1-19 in future)	440

Reference: Estimated Pumping Water Levels for Cal Water Well and Pump Operations to Meet Operational Demands During SFPUC Groundwater Storage and Recovery Project Operations (LSCE, July 31, 2014)



## ATTACHMENT D – 3

### San Bruno

**Individual Water Supply Guarantee:** 3.246 mgd

**Designated Quantity:** 2,350 acre-feet per year (2.1 mgd)

**Minimum Groundwater Requirements under Section 4.3 of this Agreement:** 20% of 2.1 mgd (.42 mgd)

**Minimum Surface Water Requirements under Section 5.5 of this Agreement:** 2 mgd

**Well-by-well estimates of acceptable pumping water levels during simultaneous operation of Existing and Project Wells during Recovery Periods:**

Well Name	Pumping Water Level (feet below ground surface)
SB-15	TBD
SB-16	TBD
SB-17	TBD
SB-18	TBD
SB-20	TBD
SB-21	TBD

Well-by-well estimates of acceptable pumping water levels were proposed in a technical memo titled “San Bruno Well and Pump Operations During Planned Conjunctive Use Program Implementation” (LSCE, June 11, 2008) based on the locations of Project Wells analyzed in the Project EIR. However, the SFPUC desires to relocate the two Project Wells in San Bruno. Following the SFPUC's identification of the final Project Well locations in San Bruno, the pumping water levels in the table will be inserted based on mutual agreement between San Bruno and the SFPUC using standard well interference calculations that are suitable for the composition of the aquifer beneath San Bruno.

## **ATTACHMENT E**

### **List of Project Facilities and Assets**

**[The SFPUC will provide the list at the end of the construction phase which will include details on major equipment (manufacturer, model number, serial number, etc.)]**

## **ATTACHMENT F**

### **Accounting of Joint Expenses**

#### **Section 1 – Expenditures**

In accordance with Section 9.2 of this Agreement, the San Francisco Public Utilities Commission (SFPUC) shall reimburse the Participating Pumpers for all expenses incurred in the operations and maintenance of the Project Facilities.

These expenses shall include:

1. Cost of labor for supervision, engineering and operations
2. Water treatment chemicals
3. Water quality materials and supplies
4. Vehicle Mileage
5. Other services and supplies such as laboratory services and other miscellaneous expenses

#### **Section 2 – Annual Reporting**

Each Participating Pumper shall submit the following to claim for reimbursement from the SFPUC.

1. Annual report on actual project operations and maintenance expenses (Attachment F-1) with supporting documentation.
2. Copy of the estimated budget for the same period provided to the Operating Committee per Section 10.2.1 of this Agreement.

If a Participating Pumper operates more than one well, it shall submit a claim reimbursement for each well that it operates. Expenses for all wells may not be consolidated in documentation submitted for reimbursement of Project related operations and maintenance expenses, except where it is impractical to separate or segregate such expenses.

Documentation of Project related operations and maintenance expenses shall be submitted to SFPUC by November 1 of each year to the attention of:

David Briggs, Local-Regional Water System, Manager  
525 Golden Gate Avenue, 13<sup>th</sup> floor  
San Francisco, CA 94102  
Re: GSR Section 9.2 Form Attachment F-1

#### **Section 3 – Inspection of Records**

Each Participating Pumper shall maintain careful, accurate and complete records of all Project related operations and maintenance expenses, which records shall be open to inspection by SFPUC during normal business hours. SFPUC may audit any costs for up to five years following the end of each fiscal year.

**Attachment F-1**  
**Annual Report**  
**Actual Project Operations and Maintenance Expenses**  
**(Section 9.2)**

**Reporting Period: July 1, 2015 to June 30, 2016**

**Name of Participating Pumper:** \_\_\_\_\_

**Address:** \_\_\_\_\_ **Telephone No.** \_\_\_\_\_

**Contact Person:** \_\_\_\_\_ **Title:** \_\_\_\_\_

**Well Location:** \_\_\_\_\_ **Well No.** \_\_\_\_\_ **Site Name:** \_\_\_\_\_

**Summary of Expenditures:**

	Category	Amount
Section 1	Labor	
Section 2	Materials and supplies	
Section 3	Contract services	
Section 4	Mileage	
<b>Total Amount Being Claimed</b>		
<b>Total Budget Amount (for similar reporting period)</b>		

**Details of Expenditures:**

**Section 1: Labor**

Name	Position	Description of Work Performed	No. of Hours (Col. A)	Hourly Rate (Col. B)	Fringes (Col. C)	Total Col. D = (A+B+C)	Asset Number
<b>Total</b>						<b>xxx</b>	

**Section 2: Materials and Supplies**

Vendor Name	Description	Date Incurred	Amount	Asset Number
<b>Total</b>			<b>xxx</b>	

**Section 3: Contract Services**

Contractor Name	Purpose of Service	Date	Amount	Asset Number
<b>Total</b>			<b>XXX</b>	

**Section 4: Mileage**

Name	Purpose of Trip	Date of Trip	Number of Miles (Col. A)	IRS Standard Mileage Rate (Col. B)	Total (Col. C=A x B)
<b>Total</b>					<b>XXX</b>

**Certified Correct by:**\_\_\_\_\_  
**Name**\_\_\_\_\_  
**Title**\_\_\_\_\_  
**Signature**\_\_\_\_\_  
**Date****For SFPUC Purpose Only:****Reviewed and Approved for Payment by Authorized Person:**\_\_\_\_\_  
**Name/Position**\_\_\_\_\_  
**Signature**\_\_\_\_\_  
**Date**



## **ATTACHMENT G**

### **Form of Licenses Exchanged by Parties (Section 8.2)**

## ATTACHMENT G

### LICENSE TO ENTER AND USE PROPERTY

This LICENSE TO ENTER AND USE PROPERTY (this "**License**"), dated as of \_\_\_\_\_, 20\_\_ for reference purposes, is made by and between the CITY AND COUNTY OF SAN FRANCISCO, a California municipal corporation ("**Licensor**"), by and through the San Francisco Public Utilities Commission ("**SFPUC**"), and \_\_\_\_\_ ("**Licensee**"), a California \_\_\_\_\_.

### RECITALS

A. Licensee and Licensor have entered into an agreement entitled "Agreement for Groundwater Storage and Recovery from the Southern Portion of the Westside Basin" dated as of \_\_\_\_\_, 2014 (the "**Operating Agreement**"). Capitalized terms used in this License that are not otherwise defined shall have the meaning assigned to such terms in the Operating Agreement and the terms of the Operating Agreement are hereby incorporated into this License as if fully set forth in this License.

B. Article 8 of the Operating Agreement contemplates that, after SFPUC constructs \_\_\_\_\_ Project Wells within Licensee's water service area, Licensee will operate and maintain the Project Wells for the benefit of the SFPUC's Regional Water System (the "**Work**"), and that the SFPUC will annually reimburse Licensee for incurred operations and maintenance expenses.

C. Licensor owns \_\_\_\_\_ parcels of real property in the County of San Mateo, located at \_\_\_\_\_, California (the "**Licensor's Well Sites**").

D. Licensee and Licensor desire to enter into this License to allow Licensee to enter upon Licensor's Well Sites and operate and maintain the Project Wells and appurtenant facilities on Licensor's Well Sites in accordance with the terms of the Operating Agreement.

### LICENSE

Licensee and Licensor agree as follows:

#### 1. ENTRY; PERMISSION TO ENTER

Licensor grants Licensee and all of Licensee's agents, employees, contractors, subcontractors, representatives, and other persons designated by Licensee, including their respective employees (collectively, Licensee's "**Agents**"), reasonable nonexclusive access to the Licensor's Well Sites shown on the attached **Exhibit A** to perform the Work, subject to, and in accordance with, the terms and conditions of this License and the Operating Agreement. The Work consists of routine operation and maintenance of Licensor's Well Sites only. At all relevant times, Licensee shall conduct the Work in accordance with annual operating plans approved by Licensor and otherwise as required by the Operating Agreement. Licensee's entry and use of the Licensor's Well Sites shall be for the sole purpose of conducting the Work. This License gives Licensee a license only and notwithstanding anything to the contrary in this License or the Operating Agreement, does not constitute a grant by Licensor of any ownership, leasehold, easement, or other property interest or estate whatsoever in any portion of the License Area.

## 2. TERM OF LICENSE

The term (the “**Term**”) of this License shall commence on the date it is executed and delivered by the parties and shall continue during the term of the Operating Agreement until June 30, 2034, or such later date that the term of the Operating Agreement is extended pursuant to its terms or such earlier date that the Operating Agreement is terminated pursuant to its terms.

## 3. COMPLIANCE WITH LAWS

Licensee shall conduct and cause to be conducted all activities on the Licensor’s Well Sites allowed pursuant to this License in a safe and prudent manner and in compliance with the terms of the Operating Agreement, decisions by the Operating Committee established under Article 10 of the Operating Agreement, and all laws, regulations, codes, ordinances, and orders of any governmental or other regulatory entity. Licensee shall use, and shall cause its Agents to use, due care at all times to avoid damage or harm to Project Facilities within Licensor’s Well Sites, and shall maintain Licensor’s Well Sites in a good, clean, safe, secure, sanitary, and sightly condition.

## 4. RESTRICTIONS ON USE

(a) Improvements. Licensee shall not conduct any excavation activities, plant trees or other vegetation, or construct or place any temporary or permanent structures or improvements in, on, under, or about the Licensor’s Well Sites, nor shall Licensee make any alterations or additions to any Project Facilities on Licensor’s Well Sites, unless Licensee first obtains SFPUC’s prior written consent, which SFPUC may give or withhold at its sole and absolute discretion. All Work performed by contractors, subcontractors, and third party consultants on Project Facilities at Licensor’s Well Sites shall be subject to the SFPUC’s prior written consent.

(b) Dumping. Licensee shall not cause or permit the dumping or other disposal in, on, under or about Licensor’s Well Sites of landfill, refuse, Hazardous Material (as defined below) or any other materials, including but not limited to materials that are unsightly or could pose a hazard to the human health or safety, native vegetation or wildlife, or the environment.

(c) Hazardous Materials. Except as specifically approved by the SFPUC in writing, Licensee shall not cause, nor allow any of its Agents to cause, any Hazardous Material (as defined below) to be brought upon, kept, used, stored, generated, released, or disposed of in, on, under, or about Licensor’s Well Sites, or transported to, from, or over Licensor’s Well Sites. Licensee shall immediately notify the SFPUC when Licensee learns of, or has reason to believe that, a release of Hazardous Material has occurred in, on, under, or about any of Licensor’s Well Sites. Licensee shall further comply with all laws, statutes, ordinances, rules, regulations, policies, orders, edicts, and the like (collectively, “**Laws**”) requiring notice of such releases or threatened releases to governmental agencies, and shall take all action necessary or desirable to mitigate the release or minimize the spread of contamination. If Licensee or its Agents cause a release of Hazardous Material, without cost to the SFPUC and in accordance with all Laws and using the highest and best technology available, Licensee shall promptly return Licensor’s Well Sites to the condition immediately prior to such release. In connection with any such release, Licensee shall afford the SFPUC a full opportunity to negotiate and participate in any discussion with governmental agencies and environmental consultants regarding any settlement agreement, cleanup or abatement agreement, consent decree, or other compromise proceeding involving Hazardous Material, and any other abatement or clean-up plan, strategy, or related procedure.

For purposes of this License, "**Hazardous Material**" means material that, because of its quantity, concentration, or physical or chemical characteristics, is at any time now or hereafter deemed by any federal, state, or local governmental authority to pose a present or potential hazard to public health, welfare, or the environment. Hazardous Material includes, without limitation, the following: any material or substance defined as a "hazardous substance, pollutant or contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Sections 9601 *et seq.*, or pursuant to Section 25316 of the California Health & Safety Code or any other federal, state, or local Law; and any "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code. The term "**release**" or "**threatened release**" when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing in, on, under, or about Licensors' Well Sites but does not include the routine, authorized use of water treatment chemicals required to conduct the Work.

(d) Use of Adjoining Land. Licensee acknowledges that the privilege given under this License shall be limited strictly to Licensors' Well Sites. Licensee shall not traverse over or otherwise use any adjoining lands of City.

(e) Signs. Licensee shall not place, erect, or maintain any sign, advertisement, banner, or similar object in, on, or about Licensors' Well Sites without the SFPUC's prior written consent.

## 5. SURRENDER

Upon the expiration of this License or within ten (10) days after any sooner revocation or other termination of this License, Licensee shall surrender Licensors' Well Sites in the same condition as received, and broom clean, free from hazards and clear of all debris. Licensee's obligations under this Section shall survive any termination of this License.

## 6. INDEMNITY

The indemnity clause in section 12.2 of the Operating Agreement applies to Licensee's operation and maintenance activities on Licensors' Well Sites authorized by this license, and, to the extent applicable, to Licensors' activities.

## 7. WORKER'S COMPENSATION INSURANCE

Licensee shall maintain Worker's Compensation Insurance for its employees conducting the Work, as required by section 12.4 of the Operating Agreement.

## 8. NOTICES

Except as otherwise expressly provided in this License, any notices given under this License shall be effective only if in writing and given by delivering the notice in person, by sending it first class mail or certified mail with a return receipt requested, or nationally-recognized overnight courier that guarantees next day delivery and provides a receipt therefor, with postage prepaid, addressed as follows (or such alternative address as may be provided in writing):

To Licensee: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

with a copy to: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To Licensors: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

with a copy  
to: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

A properly addressed notice transmitted by one of the foregoing methods shall be deemed received upon confirmed delivery, attempted delivery, or rejected delivery. Any fax numbers are provided for convenience of communication only; neither party may give official or binding notice by fax. The effective time of a notice shall not be affected by the receipt, prior to receipt of the original, of a faxed copy of a notice.

#### 9. MACBRIDE PRINCIPLES - NORTHERN IRELAND

City urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1 et seq. City also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. Licensee acknowledges that it has read and understands the above statement of City concerning doing business in Northern Ireland.

#### 10. TROPICAL HARDWOOD AND VIRGIN REDWOOD BAN

City urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood, or virgin redwood wood product, except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environment Code.

#### 11. DISCLOSURE

Licensee understands and agrees that City's Sunshine Ordinance (San Francisco Administrative Code Chapter 67) and the State Public Records Law (Gov't. Code Sections 6250 et seq.) apply to this License and any and all records, information, and materials submitted to City in connection with this License. Accordingly, any and all such records, information, and materials may be subject to public disclosure in accordance with City's Sunshine Ordinance and the State Public Records Law. Licensee hereby authorizes City to disclose any records, information, and materials submitted to the City in connection with this License.



## 12. CONFLICT OF INTEREST

Through its execution of this License, Licensee acknowledges that it is familiar with the provisions of **(a)** San Francisco Charter Section 15.103; **(b)** Article III, San Francisco Campaign and Governmental Conduct Code, Chapter 2; and **(c)** California Government Code Sections 87100 et seq. and Sections 1090 et seq. and certifies that it does not know of any facts that would constitute a violation of said provisions. Licensee shall immediately notify City if Licenser becomes aware of any such fact during the term of this License,.

## 13. NOTIFICATION OF LIMITATIONS ON CONTRIBUTIONS

Through its execution of this License, Licensee acknowledges that it is familiar with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with City for the selling or leasing of any land or building to or from City whenever such transaction would require the approval by a City elective officer, the board on which that City elective officer serves, or a board on which an appointee of that City elective officer serves, from making any campaign contribution to **(a)** the City elective officer, **(b)** a candidate for the office held by such individual, or **(c)** a committee controlled by such individual or candidate, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. Licensee acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Licensee further acknowledges that the prohibition on contributions applies to each Licenser; each member of Licensee's governing body, and Licensee's chief executive officers; any contractor or subcontractor retained by Licensee to perform Work pursuant to this License; and any committee that is sponsored or controlled by Licensee. Additionally, Licensee acknowledges that Licensee must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126. Licensee further agrees to provide to City the names of each person, entity, or committee described above.

## 14. NONDISCRIMINATION

In the performance of this agreement, licensee shall not discriminate against any employee, subcontractor, applicant for employment with licensee, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or acquired immune deficiency syndrome, or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

## 15. NO ASSIGNMENT

This License is personal to Licensee and shall not be assigned, conveyed, or otherwise transferred by Licensee under any circumstances. Any attempt to assign, convey, or otherwise transfer this License shall be null and void and cause the immediate termination and revocation of this License.

#### 16. SEVERABILITY

If any provision of this License or its application to any person, entity, or circumstance shall be invalid or unenforceable, the remainder of this License, or the application of such provision to persons, entities, or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each other provision of this License shall be valid and enforceable to the fullest extent permitted by law, except to the extent that enforcement of this License without the invalidated provision would be unreasonable or inequitable under all the circumstances or would frustrate a fundamental purpose of this License.

#### 17. COOPERATIVE DRAFTING

This License has been drafted through a cooperative effort of both parties, and both parties have had an opportunity to have the License reviewed and revised by legal counsel. No party shall be considered the drafter of this License, and no presumption or rule that an ambiguity shall be construed against the party drafting the clause shall apply to the interpretation or enforcement of this License.

#### 18. GENERAL PROVISIONS

(a) This License may be amended or modified only by a writing signed by Licensee and Licensor. (b) No waiver by any party of any of the provisions of this License shall be effective unless in writing and signed by an officer or other authorized representative, and only to the extent expressly provided in such written waiver. No waiver shall be deemed a subsequent or continuing waiver of the same, or any other, provision of this License. (c) This instrument (including the exhibit(s) hereto) contains the entire agreement between the parties with respect to the access rights granted by this License and all prior written or oral negotiations, discussions, and understandings are merged in this License. (d) The sections and other headings of this License are for convenience of reference only and shall be disregarded in the interpretation of this License. (e) Time is of the essence in all matters relating to this License. (f) This License shall be governed by California law and City's Charter. (h) If either party commences an action against the other or a dispute arises under this License, the prevailing party shall be entitled to recover from the other reasonable attorneys' fees and costs. For purposes hereof and for purposes of the indemnifications set forth in this License, City's reasonable attorneys' fees shall be based on the fees regularly charged by private attorneys in San Francisco with comparable experience notwithstanding City's use of its own attorneys. (i) This License may be executed in counterparts, each of which is deemed to be an original, and all such counterparts constitute one and the same instrument.

*[SIGNATURES ON FOLLOWING PAGE]*

In witness whereof, Licensor and Licensor have executed this License on the date set forth below, effective as of the date first set forth above.

LICENSOR:

CITY AND COUNTY OF SAN FRANCISCO

By: \_\_\_\_\_  
Harlan L. Kelly, Jr.  
General Manager,  
San Francisco Public Utilities Commission

Dated: \_\_\_\_\_, 20\_\_

Approved as to form:  
DENNIS J. HERRERA  
City Attorney

By: \_\_\_\_\_  
Joshua D. Milstein  
Deputy City Attorney

LICENSEE:

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Dated: \_\_\_\_\_, 20\_\_

**EXHIBIT A**  
**LICENSOR'S WELL SITES**





# Attachment A

## Regional Groundwater Storage and Recovery Project

### California Environmental Quality Act Findings: Findings of Fact, Evaluation of Mitigation Measures and Alternatives, and Statement of Overriding Considerations

#### San Francisco Public Utilities Commission

In determining to approve the Regional Groundwater Storage and Recovery Project ("GSR Project" or "Project") described in Section I.A, Project Description, below, the San Francisco Public Utilities Commission ("SFPUC" or "Commission") makes and adopts the following findings of fact and decisions regarding mitigation measures and alternatives, and adopts the statement of overriding considerations, based on substantial evidence in the whole record of this proceeding and under the California Environmental Quality Act ("CEQA"), California Public Resources Code Sections 21000 et seq., particularly Sections 21081 and 21081.5, the Guidelines for Implementation of CEQA ("CEQA Guidelines"), 14 California Code of Regulations Sections 15000 et seq., particularly Sections 15091 through 15093, and Chapter 31 of the San Francisco Administrative Code.

This document is organized as follows:

**Section I** provides a description of the Project proposed for adoption, the environmental review process for the Project (Regional Groundwater Storage and Recovery Project Environmental Impact Report, Planning Department Case No., 2008.1396E, State Clearinghouse No. 2009062096 (the "Final EIR" or "EIR")), the approval actions to be taken and the location of records;

**Section II** identifies the impacts found not to be significant that do not require mitigation;

**Section III** identifies potentially significant impacts that can be avoided or reduced to less-than-significant levels through mitigation and describes the disposition of the mitigation measures;

**Section IV** identifies significant impacts that cannot be avoided or reduced to less-than-significant levels and describes any applicable mitigation measures as well as the disposition of the mitigation measures;

**Section V** evaluates the different Project alternatives and the economic, legal, social, technological and other considerations that support approval of the project and the rejection of alternatives, or elements thereof, analyzed; and

**Section VI** presents a statement of overriding considerations setting forth specific reasons in support of the Commission's actions and rejection of the alternatives not incorporated into the Project.

The Mitigation Monitoring and Reporting Program ("MMRP") for the mitigation measures that have been proposed for adoption is attached with these findings as **Attachment B to Resolution No. \_\_\_\_\_**. The MMRP is required by CEQA Section 21081.6 and CEQA Guidelines Section 15091. Attachment B provides a table setting forth each mitigation measure listed in the Final Environmental Impact Report for the Project ("Final EIR") that is required to reduce or avoid a significant adverse impact. Attachment B also specifies the agency responsible for implementation of each measure and establishes monitoring actions and a monitoring schedule. The full text of the mitigation measures is set forth in Attachment B.

These findings are based upon substantial evidence in the entire record before the Commission. The references set forth in these findings to certain pages or sections of the Draft Environmental Impact Report ("Draft EIR" or "DEIR") or the Comments and Responses document ("C&R") in the Final EIR are for ease of reference and are not intended to provide an exhaustive list of the evidence relied upon for these findings.

## **I. Approval of the Project**

### **A. Project Description**

By this action, the Commission adopts and implements the GSR Project identified in the Final EIR. The GSR Project as adopted by the Commission is described in detail in the Draft EIR at pages 3-4 through 3-122. Clarifications regarding the GSR Project description are contained in the C&R in Section 9.5.3. A summary of the key components of the GSR Project follows.

The GSR is a groundwater storage and recovery project located in northern San Mateo County that the SFPUC proposes to operate in conjunction with Daly City, San Bruno and CalWater (referred to as the "Partner Agencies"). The SFPUC supplies surface water to the Partner Agencies from its regional water system. The Partner Agencies currently supply potable water to their retail customers through a combination of groundwater from the southern portion of the Westside Groundwater Basin (referred to as the "South Westside Groundwater Basin") and purchased SFPUC surface water. Under the Project, SFPUC would provide supplemental SFPUC surface water to the Partner Agencies during normal and wet years and in turn the Partner Agencies would reduce their groundwater pumping for the purpose of allowing the amount of groundwater in the South Westside Groundwater Basin to recharge. Then, during dry years, the Partner Agencies and the SFPUC would pump the increased stored groundwater using 16 new well facilities. The dry-year groundwater supply would be blended with water from the SFPUC's regional water system and would as a result increase the available water supply to all regional water system customers during dry years.

The SFPUC would construct the following facilities to implement the Project.

The SFPUC would construct 16 new groundwater well facilities within the South Westside Groundwater Basin. The well facilities would be selected from 19 possible locations; the three additional locations would serve as backup locations in the event one of the 16 preferred locations is determined to be infeasible. Together, the 16 new wells facilities would have an annual average pumping capacity of 7.2 million gallons per day (“mgd”), equivalent to 8,100 acre-feet (“af”) per year.

Each of the well facilities would consist of a groundwater well pump station, distribution piping and utility connections. Depending on the site and quality of the groundwater at the site, the well facility would be located: (1) in a fenced enclosure (most also would provide onsite disinfection); (2) within a building; (3) in a building with an additional treatment facility; or (4) in a building with an additional treatment and filtration facility. Two sites may have just a well facility in a fenced enclosure and rely on a consolidated treatment and filtration facility at another location, or may have their own treatment and filtration facilities. The 19 possible sites, depending on whether the consolidated treatment and filtration facility is feasible, consist of four to six sites with a well facility in a fenced enclosure; one site with a well facility in a 700 square foot building; five sites with a well and treatment facility in an approximately 1,500 square foot structure; and seven to nine sites with a well and treatment plus filtration facility in an approximately 2,000 to 3,000 square foot structure. The Project also would upgrade the existing Daly City Westlake pump station by adding three booster pumps and disinfection and fluoridation treatment so that it could serve proposed Sites 2, 3 and 4.

The SFPUC would operate the facilities in conjunction with the Partner Agencies through an Operating Agreement. The proposed Operating Agreement provides for the Partner Agencies to accept surface water deliveries from the SFPUC during normal and wet years of up to 5.52 mgd in lieu of pumping a like amount of groundwater from their existing facilities. Then in dry years, the Partner Agencies would pump from their existing wells and any new wells to designated quantities totaling 6.9 mgd over a five-year averaging period. The SFPUC also would pump from the Project wells during dry years. SFPUC pumping for dry year regional water system supply could last for up to 7.5 years.

The SFPUC would establish an SFPUC Storage Account to maintain an accounting of actual amounts of in-lieu water stored, taking into account in-lieu deliveries, metered decreases to groundwater pumping, and losses from the South Westside Groundwater Basin resulting from the Project. The expected maximum increased storage volume that the Project is expected to achieve in the South Westside Groundwater Basin is 60,500 af. The accounting process would assure that only the in-lieu water actually stored is pumped. When the SFPUC Storage Account is full, with the full 60,500 af in storage, and there is no shortage requiring the SFPUC to pump groundwater from the Project wells, pumping by Partner Agencies could not exceed 7.6 mgd in any year of the five-year averaging period under the terms of the proposed Operating Agreement.

The SFPUC also could undertake pumping during emergencies, system rehabilitation, scheduled maintenance or malfunctioning of the water system, and upon a recommendation of the operating

committee established by the Operating Agreement for purposes of management of the South Westside Groundwater Basin.

## **B. Project Objectives**

The primary goal of the Project is to provide an additional dry-year water supply. Specific objectives of the GSR Project are:

- Conjunctively manage the South Westside Groundwater Basin through the coordinated use of SFPUC surface water and groundwater pumped by the Partner Agencies.
- Provide supplemental SFPUC surface water to the Partner Agencies in normal and wet years, with a corresponding reduction of groundwater pumping by these agencies, which then allows for in-lieu recharge of the South Westside Groundwater Basin.
- Increase the dry-year and emergency pumping capacity of the South Westside Groundwater Basin by an average annual 7.2 mgd.
- Provide a new dry-year groundwater supply for the SFPUC's customers and increase water supply reliability during the 8.5-year design drought cycle.

In addition, the Project is part of the SFPUC's adopted Water System Improvement Program ("WSIP") adopted by this Commission on October 30, 2008 (see Section C.1). The WSIP consists of over 70 local and regional facility improvement projects that would increase the ability of the SFPUC's water supply system to withstand major seismic events and prolonged droughts and to meet estimated water-purchase requests in the service areas. With the exception of the water supply goal, the overall WSIP goals and objectives are based on a planning horizon through 2030. The water supply goal to meet delivery needs in the SFPUC service area is based on a planning horizon through 2018. The overall goals of the WSIP for the regional water system are to:

- Maintain high-quality water.
- Reduce vulnerability to earthquakes.
- Increase water delivery reliability.
- Meet customer water supply needs.
- Enhance sustainability.
- Achieve a cost-effective, fully operational system.

The Project would help meet WSIP goals by providing dry-year supply to increase water delivery reliability and meet customer water supply needs. In addition, the Project would provide

increased regional operational flexibility to respond to and restore water service during unplanned outages and loss of a water source, or both. Without the Project, the SFPUC could not meet its goals for dry-year delivery reliability.

## **C. Environmental Review**

### ***1. Water System Improvement Program Environmental Impact Report***

On October 30, 2008, the SFPUC approved the Water System Improvement Program (also known as the “Phased WSIP”) with the objective of repairing, replacing, and seismically upgrading the system’s aging pipelines, tunnels, reservoirs, pump stations, and storage tanks (SFPUC, 2008; SFPUC Resolution No. 08-0200). The WSIP improvements span seven counties—Tuolumne, Stanislaus, San Joaquin, Alameda, Santa Clara, San Mateo, and San Francisco (see SFPUC Resolution No. 08-0200).

To address the potential environmental effects of the WSIP, the San Francisco Planning Department prepared a Program EIR (“PEIR”), which was certified by the San Francisco Planning Commission on October 30, 2008 (Motion No. 17734). At a project-level of detail, the PEIR evaluated the environmental impacts of the WSIP’s water supply strategy and, at a program level of detail, it evaluated the environmental impacts of the WSIP’s facility improvement projects. The PEIR contemplated that additional project-level environmental review would be conducted for the facility improvement projects, including the Regional Groundwater Storage and Recovery Project.

### ***2. San Francisco Regional Groundwater Storage and Recovery Project Environmental Impact Report***

In accordance with Sections 15063 and 15082 of the CEQA Guidelines, the Environmental Planning (“EP”) staff of the San Francisco Planning Department, as lead agency, prepared a Notice of Preparation (“NOP”) and conducted a scoping meeting for the GSR Project EIR. The San Francisco Planning Department released the NOP on June 24, 2009; held a public scoping meeting on July 9, 2009, at the South San Francisco Municipal Services Building in South San Francisco; and accepted written comments on the NOP through July 28, 2009.

The NOP was distributed to the State Clearinghouse, and notices of the availability of the NOP were mailed to approximately 1,500 interested parties, including property owners and tenants within 300 feet of the proposed Project and 32 public agencies. The scoping meeting was noticed in local newspapers. Approximately 33 people attended the meeting.

The San Francisco Planning Department received six verbal comments on the scope of the EIR at the scoping meeting and 18 state, regional, and local agencies; organizations; and individual submitted written comments. A *Scoping Summary Memorandum* is included in the EIR at Appendix B summarizing comments received.



The San Francisco Planning Department then prepared the Draft EIR, which described the Project and the environmental setting, identified potential impacts, presented mitigation measures for impacts found to be significant or potentially significant, and evaluated Project alternatives. The Draft EIR analyzed the impacts associated with each of the key components of the Project, and identified mitigation measures applicable to reduce impacts found to be significant or potentially significant for each key component. It also included an analysis of five alternatives to the Project. In assessing construction and operational impacts of the Project, the Draft EIR considered the impacts of the Project as well as the cumulative impacts associated with the proposed Project in combination with other past, present, and future actions that could affect the same resources.

Each environmental issue presented in the Draft EIR was analyzed with respect to significance criteria that are based on EP guidance regarding the environmental effects to be considered significant. EP guidance is, in turn, based on CEQA Guidelines Appendix G, with some modifications.

The Draft EIR was circulated to local, state, and federal agencies and to interested organizations and individuals for review and comment on April 10, 2013 for a 62-day public review period, which closed at 5:00 p.m. on June 11, 2013. A public hearing on the Draft EIR to accept written or oral comments was held by EP at the South San Francisco Municipal Services Building in South San Francisco on May 14, 2013. Also, the San Francisco Planning Commission held a public hearing at its meeting at San Francisco City Hall on May 16, 2013. During the public review period, EP received written comments sent through the mail, fax, or email. A court reporter was present at the public hearings, transcribed the public hearing verbatim, and prepared written transcripts.

EP then prepared the C&R document, which provided written responses to each comment received on the Draft EIR. The C&R document was published on July 9, 2014, and included copies of all of the comments received on the Draft EIR and individual responses to those comments. The C&R provided additional, updated information and clarification on issues raised by commenters, as well as SFPUC and Planning Department staff-initiated text changes to address project updates. The Planning Commission reviewed and considered the Final EIR, which includes the Draft EIR and the C&R document, and all of the supporting information. The Final EIR provided augmented and updated information on many issues presented in the Draft EIR, including (but not limited to) the following topics: project description, plans and policies, land use, aesthetics, cultural and paleontological resources, transportation and circulation, noise and vibration, greenhouse gas emissions, recreation, utilities and service systems, hydrology and water quality, cumulative projects, and Project alternatives. This augmentation and update of information in the Draft EIR did not constitute new information or significantly alter any of the conclusions of the Draft EIR so as to trigger the need for recirculation of the Final EIR.

In certifying the Final EIR, the Planning Commission has determined that none of the factors are present that would necessitate recirculation of the Final EIR under CEQA Guidelines Section 15088.5. The Final EIR contains no information revealing (1) any new significant environmental impact that would result from the Project or from a new mitigation measure proposed to be

implemented, (2) any substantial increase in the severity of a previously identified environmental impact, (3) any feasible Project alternative or mitigation measure considerably different from others previously analyzed that would clearly lessen the environmental impacts of the Project, but that was rejected by the Project's proponents, or (4) that the Draft EIR was so fundamentally and basically inadequate and conclusory in nature that meaningful public review and comment were precluded. This Commission concurs in that determination.

The Commission finds that the Project is within the scope of the project analyzed in the Final EIR and the Final EIR fully analyzed the Project proposed for approval. No new impacts have been identified that were not analyzed in the Final EIR.

## **D. Approval Actions**

Under San Francisco's Administrative Code Chapter 31 procedures, the San Francisco Planning Commission certifies the Final EIR as complete and all approving bodies subject to CEQA adopt CEQA findings at the time of the approval actions. Anticipated approval actions are listed below.

### ***1. San Francisco Planning Commission***

- Approves General Plan consistency findings.

### ***2. San Francisco Public Utilities Commission***

- Approves the project, as described in these findings, and authorizes the General Manager or his designee to obtain necessary permits, consents, agreements and approvals. Approvals include, but are not limited to, awarding a construction contract, approving the Operating Agreement with the Partner Agencies, approving agreements with irrigators for groundwater well monitoring and mitigation and related agreements with the SFPUC's wholesale customers and CalWater regarding delivery of water from SFPUC's regional system as an interim mitigation action; and approving property rights acquisition and access agreements.

### ***3. San Francisco Board of Supervisors***

- Considers any appeal of the Planning Commission's certification of the Final EIR.
- Approves an allocation of bond monies to pay for implementation of the project.
- Approves property rights acquisition agreements.

### ***4. San Francisco Arts Commission***

- Approves the exterior design of structures on City property.

## *5. San Francisco Historic Preservation Commission*

- Reviews Memorandum of Understanding under federal Section 106 process of National Historic Preservation Act.

## *6. Other – Federal, State, and Local Agencies*

Implementation of the Project will involve consultation with or required approvals by other local, state, and federal regulatory agencies as listed below.

- **Federal Agencies.** Approvals by the United States Department of Veterans Affairs (“VA”) for installation and maintenance of well facilities at Sites 14 and 15; approval to demolish a building located adjacent to the SFPUC right-of-way and decommission pipelines; and Section 106 consultation for review and evaluation of project impacts on cultural resources under the National Historic Preservation Act. The VA’s approvals will be subject to separate environmental review under the National Environmental Policy Act.
- **State and Regional Agencies.** Approvals of state and regional agencies related to: water supply permits (California Department of Public Health, Drinking Water Field Operations Branch); waste discharge permits (Bay Area Regional Water Quality Control Board (“RWQCB”)); stormwater management permits (State Water Resources Control Board (“SWRCB”)); concurrence of compliance with Section 106 of the National Historic Preservation Act (State Historic Preservation Officer); permits for stationary equipment operation (Bay Area Air Quality Management District); biological resource management approvals (California Department of Fish and Wildlife (“CDFW”)); and encroachment permits and land acquisitions (California Department of Transportation (“Caltrans”) and Bay Area Rapid Transit District).
- **Local Agencies.** Approvals by local agencies, including the Operating Agreement with the Partner Agencies; easements and land acquisition agreements; encroachment permits for work on land owned by local agencies; permits for groundwater wells; and approvals related to implementation of mitigation measures, including without limitation, agreements with SFPUC wholesale customers regarding delivery of water from SFPUC’s regional system as an interim mitigation action. Local approving agencies, in addition to SFPUC wholesale customers, include: San Mateo County Transit District (“SamTrans”); Jefferson Elementary School District; San Mateo County; Town of Colma; and cities of Daly City, Millbrae, San Bruno and South San Francisco.

To the extent that the identified mitigation measures require consultation or approval by these other agencies, this Commission urges these agencies to assist in implementing, coordinating, or approving the mitigation measures, as appropriate to the particular measure.

## E. Contents and Location of Records

The record upon which all findings and determinations related to the Project are based (“Record of Proceedings”) includes the following:

- The Draft EIR and all documents referenced in or relied upon by the EIR. (The references in these findings to the EIR or Final EIR include both the Draft EIR and the Comments and Responses document.)
- The PEIR for the Phased WSIP Variant, which is incorporated by reference in the GSR Project EIR.
- All information (including written evidence and testimony) provided by City staff to the SFPUC and Planning Commission relating to the EIR, the Project, and the alternatives set forth in the EIR.
- All information (including written evidence and testimony) presented to the SFPUC and the Planning Commission by the environmental consultant and sub-consultants who prepared the EIR or that was incorporated into reports presented to the SFPUC.
- All information presented at any public hearing or workshop related to the Project and the EIR.
- The Mitigation Monitoring and Reporting Program.
- All other documents available to the SFPUC and the public, comprising the administrative record pursuant to Public Resources Code Section 21167.6(e).

The Commission has relied on all of the information listed above in reaching its decision on the Project, even if not every document was formally presented to the Commission. Without exception, these documents fall into one of two categories. Many documents reflect prior planning or legislative decisions that the Commission was aware of in approving the Project. Other documents influenced the expert advice provided to Planning Department staff or consultants, who then provided advice to the Commission. For these reasons, such documents form part of the underlying factual basis for the Commission’s decisions relating to the adoption of the Project.

The public hearing transcript, a copy of all letters regarding the Draft EIR received during the public review period, the administrative record, and background documentation for the Final EIR are available at the San Francisco Planning Department, 1650 Mission Street, San Francisco. **Jonas P. Ionin**, Commission Secretary, is the Custodian of Records for the Planning Department. Materials concerning approval of the Project and adoption of these findings are contained in SFPUC files, **SFPUC Project No. CUW30103** in the Bureau of Environmental Management, San Francisco Public Utilities Commission, 525 Golden Gate Avenue, San Francisco, California 94102. The Custodian of Records is **Kelley Capone**. All files have been available to the

Commission and the public for review in considering these findings and whether to approve the Project.

## **F. Findings about Significant Environmental Impacts and Mitigation Measures**

The following Sections II, III, and IV set forth the Commission's findings about the Final EIR's determinations regarding significant environmental impacts and the mitigation measures proposed to address them. These findings provide the written analysis and conclusions of the Commission regarding the environmental impacts of the Project and the mitigation measures included as part of the Final EIR and adopted by the Commission as part of the Project. To avoid duplication and redundancy, and because the Commission agrees with, and hereby adopts, the conclusions in the Final EIR, these findings will not repeat the analysis and conclusions in the Final EIR but instead incorporate them by reference and rely upon them as substantial evidence supporting these findings.

In making these findings, the Commission has considered the opinions of staff and experts, other agencies, and members of the public. The Commission finds that (i) the determination of significance thresholds is a judgment decision within the discretion of the City and County of San Francisco; (ii) the significance thresholds used in the EIR are supported by substantial evidence in the record, including the expert opinion of the EIR preparers and City staff; and (iii) the significance thresholds used in the EIR provide reasonable and appropriate means of assessing the significance of the adverse environmental effects of the Project. Thus, although, as a legal matter, the Commission is not bound by the significance determinations in the EIR (see Public Resources Code, Section 21082.2, subdivision (e)), the Commission finds them persuasive and hereby adopts them as its own.

These findings do not attempt to describe the full analysis of each environmental impact contained in the Final EIR. Instead, a full explanation of these environmental findings and conclusions can be found in the Final EIR, and these findings hereby incorporate by reference the discussion and analysis in the Final EIR supporting the determination regarding the project impact and mitigation measures designed to address those impacts. In making these findings, the Commission ratifies, adopts and incorporates in these findings the determinations and conclusions of the Final EIR relating to environmental impacts and mitigation measures, except to the extent any such determinations and conclusions are specifically and expressly modified by these findings.

As set forth below, the SFPUC adopts and incorporates all of the mitigation measures set forth in the Final EIR and the attached MMRP to substantially lessen or avoid the potentially significant and significant impacts of the Project. The SFPUC intends to adopt each of the mitigation measures proposed in the Final EIR. Accordingly, in the event a mitigation measure recommended in the Final EIR has inadvertently been omitted in these findings or the MMRP, such mitigation measure is hereby adopted and incorporated in the findings below by reference. In addition, in the event the language describing a mitigation measure set forth in these findings or the MMRP fails to accurately reflect the mitigation measures in the Final EIR due to a clerical error, the language of the policies and implementation measures as set forth in the Final EIR shall



control. The impact numbers and mitigation measure numbers used in these findings reflect the information contained in the Final EIR.

In Sections II, III and IV below, the same findings are made for a category of environmental impacts and mitigation measures. Rather than repeat the identical finding dozens of times to address each and every significant effect and mitigation measure, the initial finding obviates the need for such repetition because in no instance is the Commission rejecting the conclusions of the Final EIR or the mitigation measures recommended in the Final EIR for the Project.

## **II. Impacts Found Not To Be Significant and Thus Do Not Require Mitigation**

Under CEQA, no mitigation measures are required for impacts that are less than significant (Public Resources Code, Section 21002; CEQA Guidelines, Sections 15126.4, subdivision (a)(3), 15091). Based on the evidence in the whole record of this proceeding, the SFPUC finds that the implementation of the Project will result in no impacts in the following areas: project-level impacts to population and housing<sup>1</sup>; wind and shadow; public services; and agriculture and forest resources. These subjects are not further discussed in these findings. The SFPUC further finds that implementation of the Project will not result in any significant impacts in the following areas and that these less-than-significant impacts, therefore, do not require mitigation.

### **Aesthetics**

- **Impact AE-2:** Project construction would not create a new source of substantial light that would adversely affect day or nighttime views in the area. (DEIR Section 5.3.3.4, Pages 5.3-76 to 5.3-78)
- **Impact AE-4:** Project operation would not create a new source of substantial light that would adversely affect day or nighttime views in the area. (DEIR Section 5.3.3.5, Pages 5.3-101 to 5.3-102)

### **Transportation and Circulation**

- **Impact TR-4:** Project operations and maintenance activities would not conflict with an applicable plan or policies regarding performance of the transportation system or alternative modes of transportation. (DEIR Section 5.6.3.5, Pages 5.6-58 to 5.6-60)

### **Noise and Vibration**

- **Impact NO-4:** Project construction would not result in a substantial temporary increase in ambient noise levels along construction haul routes. (DEIR Section 5.7.3.4, Pages 5.7-82 to 5.7-83)

### **Air Quality**

---

<sup>1</sup> As part of the WSIP, the Project would contribute to the growth-inducing impacts considered in the WSIP PEIR. See Section IV.B of these Findings.

- **Impact AQ-1:** Construction of the Project would not conflict with or obstruct implementation of applicable air quality plans. (DEIR Section 5.8.3.4, Page 5.8-23)
- **Impact AQ-4:** Project construction activities would not create objectionable odors affecting a substantial number of people. (DEIR Section 5.8.3.4, Page 5.8-29)
- **Impact AQ-5:** Project operations would not violate air quality standards or contribute substantially to an existing air quality violation. (DEIR Section 5.3.8.5, Page 5.8-29)
- **Impact AQ-6:** Project operations would not expose sensitive receptors to substantial pollutant concentrations. (DEIR Section 5.8.3.5, Page 5.8-30)
- **Impact AQ-7:** Project operations would not create objectionable odors affecting a substantial number of people. (DEIR Section 5.8.3.5, Page 5.8-30)

### **Greenhouse Gas Emissions**

- **Impact GG-1:** Project construction would generate GHG emissions, but not at levels that would have a significant impact on the environment. (DEIR Section 5.9.3.4, Pages 5.9-8 to 5.9-9)
- **Impact GG-2:** Project operations would generate GHG emissions, but not at levels that would result in a significant impact on the environment. (DEIR Section 5.9.3.4, Page 5.9-10)
- **Impact C-GG:** The proposed Project would not result in a cumulatively considerable contribution to GHG emissions. (DEIR Section 5.9.3.4, Page 5.9-11)

### **Recreation**

- **Impact RE-1:** The Project would not remove or damage existing recreational resources during construction. (DEIR Section 5.11.3.4, Pages 5.11-15 to 5.11-17)
- **Impact RE-3:** The Project would not impair access to recreational resources during construction. (DEIR Section 5.11.3.4, Pages 5.11-25 to 5.11-27)
- **Impact RE-4:** The Project would not damage recreational resources during operation. (DEIR Section 5.11.3.5, Pages 5.11-27 to 5.11-28)
- **Impact RE-5:** The Project would not deteriorate the quality of the recreational experience during operation. (DEIR Section 5.11.3.5, Pages 5.11-28 to 5.11-31)
- **Impact RE-6:** Operation of the Project would not remove or damage recreational resources, impair access to, or deteriorate the quality of the recreational experience at Lake Merced. (DEIR Section 5.11.3.5, Pages 5.11-31 to 5.11-34)
- **Impact C-RE-1:** Construction and operation of the proposed Project would not result in significant cumulative impacts on recreational resources. (DEIR Section 5.11.3.6, Pages 5.11-34 to 5.11-37)

- **Impact C-RE-2:** Operation of the Project would not result in significant cumulative impacts on recreational resources at Lake Merced. (DEIR Section 5.11.3.6, Pages 5.11-38 to 5.11-40)

#### **Utilities and Service Systems**

- **Impact UT-2:** Project construction would not exceed the capacity of wastewater treatment facilities, exceed wastewater treatment requirements, require or result in the construction of new or expansion of existing wastewater treatment facilities or stormwater drainage facilities, the construction of which could cause significant environmental effects. (DEIR Section 5.12.3.4, Pages 5.12-14 to 5.12-16)
- **Impact UT-3:** Project construction would not result in adverse effects on solid waste landfill capacity. (DEIR Section 5.12.3.4, Pages 5.12-16 to 5.12-17)
- **Impact UT-5:** Project operation would not exceed the capacity of wastewater treatment facilities, exceed wastewater treatment requirements, or require or result in the construction of new, or expansion of existing, wastewater treatment facilities or stormwater drainage facilities, the construction of which could cause significant environmental effects. (DEIR Section 5.12.3.5, Pages 5.12-19 to 5.12-20)

#### **Biological Resources**

- **Impact BI-6:** Operation of the Project would not adversely affect species identified as candidate, sensitive, or special-status wildlife species in local or regional plans, policies, or regulations, or by the CDFW or USFWS. (DEIR Section 5.14.3.6, Pages 5.14-84 to 5.14-85)

#### **Geology and Soils**

- **Impact GE-1:** The Project would not be located on a geologic unit or soil that is unstable, or that would become unstable during construction. (DEIR Section 5.15.3.4, Page 5.15-19)
- **Impact GE-2:** The Project would not substantially change the topography or any unique geologic or physical features of the site(s). (DEIR Section 5.15.3.4, Page 5.15-20)
- **Impact GE-5:** The Project would not be located on corrosive or expansive soil, creating substantial risks to life or property. (DEIR Section 5.15.3.5, Pages 5.15-25 to 5.15-26)
- **Impact C-GE-1:** Construction and operation of the proposed Project could result in significant impacts related to soils and geology. (DEIR Section 5.15.3.6, Page 5.15-26)

#### **Hydrology and Water Quality**

- **Impact HY-3:** Project operation would not alter drainage patterns in such a manner that could result in degraded water quality or cause on- or off-site flooding. (DEIR Section 5.16.3.6, Pages 5.16-69 to 5.16-70)

- **Impact HY-4:** Project operation would not impede or redirect flood flows. (DEIR Section 5.16.3.6, Pages 5.16-70 to 5.16-71)
- **Impact HY-5:** Project operation would not result in a violation of water quality standards or in the degradation of water quality from the discharge of groundwater during well maintenance. (DEIR Section 5.16.3.6, Pages 5.16-71 to 5.16-72)
- **Impact HY-7:** Project operation would not result in substantial land subsidence due to decreased groundwater levels in the Westside Groundwater Basin where the historical low water levels are exceeded. (DEIR Section 5.16.3.7, Pages 5.16-100 to 5.16-105)
- **Impact HY-8:** Project operation would not result in seawater intrusion due to decreased groundwater levels in the Westside Groundwater Basin. (DEIR Section 5.16.3.7, Pages 5.16-105 to 5.16-113)
- **Impact HY-10:** Project operation would not have a substantial adverse effect on water quality that could affect the beneficial uses of Pine Lake. (DEIR Section 5.16.3.7, Pages 5.16-127 to 5.16-128)
- **Impact HY-11:** Project operation would not have a substantial adverse effect on water quality that could affect the beneficial uses of Colma Creek, San Bruno Creek, Lomita Channel, or Millbrae Creek. (DEIR Section 5.16.3.7, Page 5.16-128)
- **Impact HY-12:** Project operation would not cause a violation of water quality standards due to mobilization of contaminants in groundwater from changing groundwater levels in the Westside Groundwater Basin. (DEIR Section 5.16.3.7, Pages 5.16-128 to 5.16-139)
- **Impact HY-13:** Project operation would not result in degradation of drinking water quality or groundwater quality relative to constituents for which standards do not exist. (DEIR Section 5.16.3.7, Pages 5.16-140 to 5.16-142)
- **Impact C-HY-3:** Operation of the proposed Project would not result in a cumulatively considerable contribution to cumulative impacts related to subsidence. (DEIR 5.16.3.8, Pages 5.16-152 to 5.16-153)
- **Impact C-HY-4:** Operation of the proposed Project would not have a cumulatively considerable contribution to seawater intrusion. (DEIR Section 5.16.3.8, Pages 5.16-153 to 5.16-156)
- **Impact C-HY-6:** Operation of the proposed Project would not result in a cumulatively considerable contribution to cumulative impacts related to water quality standards. (DEIR Section 5.16.3.8, Pages 5.16-159 to 5.16-160)
- **Impact C-HY-7:** Operation of the proposed Project would not result in a cumulatively considerable contribution to cumulative impacts related to water quality degradation. (DEIR Section 5.16.3.8, Pages 5.16-160 to 5.16-161)

## **Hazards and Hazardous Materials**

- **Impact HZ-1:** The Project would not create a significant hazard to the public or the environment related to transport, use, or disposal of hazardous materials during construction. (DEIR Section 5.17.3.4, Page 5.17-27)
- **Impact HZ-4:** The Project would not create a hazard to the public or environment from the routine transport, use, or disposal of hazardous materials or accidental release of hazardous materials during operation. (DEIR Section 5.17.3.5, Pages 5.17-36 to 5.17-38)
- **Impact HZ-5:** The Project would not result in impacts from the emission or use of hazardous materials within 0.25 mile of a school during operation. (DEIR Section 5.17.3.5, Pages 5.17-38 to 5.17-39)
- **Impact HZ-6:** The Project would not result in a safety hazard for people residing or working in the vicinity of a public use airport. (DEIR Section 5.17.3.5, Page 5.17-39)
- **Impact HZ-7:** The Project would not expose people or structures to a significant risk of loss, injury, or death involving fires. (DEIR Section 5.17.3.5, Pages 5.17-39 to 5.17-40)

#### **Mineral and Energy Resources**

- **Impact ME-1:** The Project would not encourage activities that result in the use of large amounts of fuel and energy in a wasteful manner during construction. (DEIR Section 5.18.3.4, Page 5.18-8)
- **Impact ME-2:** The Project would not encourage activities that result in the use of large amounts of fuel and energy in a wasteful manner during operation. (DEIR Section 5.18.3.5, Pages 5.18-8 to 5.18-11)
- **Impact C-ME:** Construction and operation of the proposed Project would not result in a cumulatively considerable contribution to cumulative impacts related to mineral and energy resources. (DEIR Section 5.18.3.6, Pages 5.18-11 to 5.18-12)

### **III. Findings of Potentially Significant or Significant Impacts That Can Be Avoided or Reduced to a Less-Than-Significant Level through Mitigation and the Disposition of the Mitigation Measures**

CEQA requires agencies to adopt mitigation measures that would avoid or substantially lessen a project's identified significant impacts or potentially significant impacts if such measures are feasible (unless mitigation to such levels is achieved through adoption of a project alternative). The findings in this Section III and in Section IV concern mitigation measures set forth in the EIR. These findings discuss mitigation measures as proposed in the EIR and recommended for adoption by the SFPUC, which the SFPUC can implement. The mitigation measures proposed for adoption in this section and referenced following each Project impact discussed in this Section III, are the same as the mitigation measures identified in the Final EIR for the project. The full explanation of potentially significant environmental impacts is contained in Chapters 5 and 9



(Section 9.3) of the Final EIR and in text changes to Chapter 5 in Chapter 9 (Section 9.5) of the Final EIR. The full text of each mitigation measure listed in this section is contained in the Final EIR and in **Attachment B, the MMRP**. Attachment B identifies the SFPUC as the agency responsible for the implementation of all mitigation measures and establishes monitoring actions and a monitoring schedule.

This Commission recognizes that some of the mitigation measures as explained below are partially within the jurisdiction of other agencies, including the VA; CDFW; SWRCB, RWQCB, Caltrans, SamTrans, San Mateo County, the Town of Colma, the cities of Daly City, Millbrae, San Bruno, and South San Francisco; SamTrans; and the San Francisco Planning Department. The San Francisco Planning Department already has approved the Project and adopted the mitigation measures partially within its jurisdiction: **Mitigation Measure M-CR-2: Discovery of Archaeological Resources; Mitigation Measure M-CR-3: Suspend Construction Work if a Paleontological Resource is Identified; Mitigation Measure M-CR-4: Accidental Discovery of Human Remains; and Mitigation Measure M-HY-6: Ensure Irrigators' Wells Are Not Prevented from Supporting Existing or Planned Land Use(s) Due to Project Operation**. The Commission urges these remaining agencies to assist in implementing these mitigation measures, and finds that these agencies can and should participate in implementing these mitigation measures.

The Commission adopts all of the mitigation measures proposed for the Project. The Commission finds that all of the mitigation measures are appropriate and feasible and that changes or alterations will be required in, or incorporated into, the Project that mitigate or avoid the significant environmental effects as identified in the Final EIR. The Commission finds that for the reasons set forth in the Final EIR and elsewhere in the record, the impacts identified in this section would be reduced to a *less-than-significant* level through implementation of the mitigation measures identified in this section. For each impact identified below, the impact statement for each impact identifies the sites where the impact will be less than significant with the implementation of the listed mitigation measures. The title of the mitigation measure or measures listed after each impact statement follow the approach used in the Final EIR and indicate all sites where the mitigation measure or measures will be implemented as a result of *any* GSR Project impact and not just the sites that will cause the impact listed immediately above. If a site is not listed in the impact statement, either it will have no impact or a less than significant impact for that particular identified impact.

## A. Project Impacts

### Land Use

- **Impact LU-2:** Project operations would result in substantial long-term or permanent impacts on the existing character or disrupt or displace land uses. (Sites 1, 5, 9, 18, Westlake Pump Station) (DEIR Section 5.2.3.5, Pages 5.2-35 to 5.2-38)

By requiring the design of the facilities to meet a performance standard of 50 dBA Leq, achieved by incorporating into the design such measures as additional sound insulation

and weatherstripping, implementation of Mitigation Measure M-NO-5 would reduce noise levels from Project operations to *less-than-significant* levels.

- **Mitigation Measure M-NO-5: Operational Noise Control Measures (Sites 1, 5, 7, 9, 12, 18, Westlake Pump Station)**

#### **Aesthetics**

- **Impact AE-3:** Project operation would have a substantial adverse impact on a scenic vista, resource, or on the visual character of a site or its surroundings. (Sites 4, 7, 14, 15, 18) (DEIR Section 5.3.3.5, Pages 5.3-79 to 5.3-99)

Implementation of Mitigation Measures M-AE-3a, M-CR-5a and M-CR-5b would reduce the aesthetic impact of siting well facilities at Sites 4, 7, 14, 15 and 18 to *less-than-significant* levels: Mitigation Measure M-AE-3a would screen views of these well facilities; Mitigation Measure M-CR-5a would require at Site 14 the development of an architectural design compatible with the Golden Gate National Cemetery (“GGNC”); Mitigation Measure M-CR-5b would require at Site 15 the development of a compatible architectural design more closely resembling the existing GGNC maintenance and operations buildings, minimizing the dimensions of the well facility to the extent practicable, moving the structure further away from the auxiliary entrance, and using landscaping that would be in visual harmony with the site’s surroundings.

- **Mitigation Measure M-AE-3a: Implement Landscape Screening (Sites 4,7,18)**
- **Mitigation Measure M-CR-5a: Minimize Facilities Siting Impacts on Elements of the Historical Resource at Site 14**
- **Mitigation Measure M-CR-5b: Minimize Facilities Siting Impacts on Elements of the Historical Resource at Site 15**

This Commission recognizes that Mitigation Measures M-CR-5a and M-CR-5b are partially within the jurisdiction of the Veterans Affairs. This Commission urges the Veterans Affairs to assist in implementing these mitigation measures and finds that the Veterans Affairs can and should participate in implementing these mitigation measures.

- **Impact C-AE-1:** Construction and operation of the proposed Project could result in a cumulatively considerable contribution to cumulative impacts related to scenic resources and visual character. (Sites 12 and 13) (DEIR Section 5.3.3.6, Pages 5.3-102 to 5.3-104)

The GSR Project’s cumulative contribution to construction-period impacts on the visual quality would be reduced to a *less-than-significant* level with implementation of Mitigation Measures M-AE-1a, M-AE-1b, and M-AE-1c. These mitigation measures would ensure that the construction areas at Sites 12 and 13 are maintained by storing construction materials and equipment generally away from public view, removing construction debris promptly at regular intervals, and minimizing tree removal.

- **Mitigation Measure M-AE-1a: Site Maintenance (Sites 4, 7, 12, 13, 14, 15, 18)**

- **Mitigation Measure M-AE-1b: Tree Protection Measures (Sites 3, 4, 7, 10, 11, 12, 13, 14, 15, 17)**
- **Mitigation Measure M-AE-1c: Develop and Implement a Tree Replanting Plan (Site 12)**

### **Cultural and Paleontological Resources**

- **Impact CR-1:** Project construction could cause an adverse change in the significance of a historical resource. (Sites 14 and 15) (DEIR Section 5.5.3.4, Pages 5.5-48 to 5.5-53)

Implementation of Mitigation Measures M-CR-1a, M-CR-1b, and M-NO-2 would reduce potential construction impacts on the historical resources at Sites 14 and 15 to *less-than-significant* levels by requiring the SFPUC and its contractors to implement physical and administrative measures to protect elements of the historical resources during construction, and by requiring the construction of pipelines within 25 feet of the structures near Site 15 to use either non-vibratory means of compaction or controlled low strength materials (CLSM) as backfill so that compaction is not necessary, thereby reducing significant vibration levels near the building to below the significance threshold of 0.25 in/sec PPV.

- **Mitigation Measure M-CR-1a: Minimize Construction-related Impacts to Elements of the Historical Resource at Site 14**
- **Mitigation Measure M-NO-2: Reduce Vibration Levels during Construction of Pipelines (Sites 3, 4, 12, 15, 18)**
- **Mitigation Measure M-CR-1b: Minimize Construction-related Impacts to Elements of the Historical Resource at Site 15**

This Commission recognizes that Mitigation Measure M-CR-1a is partially within the jurisdiction of the Veterans Affairs. This Commission urges the Veterans Affairs to assist in implementing this mitigation measure and finds that the Veterans Affairs can and should participate in implementing this mitigation measure.

- **Impact CR-2:** Project construction could cause an adverse change in the significance of an archeological resource (All Sites except Westlake Pump Station) (DEIR Section 5.5.3.4, Pages 5.5-53 to 5.5-55)

Implementation of Mitigation Measure M-CR-2 would reduce impacts on any previously unrecorded and buried (or otherwise obscured) archaeological deposits to *less-than-significant* levels by requiring the SFPUC and its contractors to adhere to appropriate procedures and protocols for minimizing such impacts, in the event that a possible archaeological resource is discovered during construction activities associated with the Project.

- **Mitigation Measure M-CR-2: Discovery of Archaeological Resources (All Sites except Westlake Pump Station)**

- **Impact CR-3:** Project construction could result in a substantial adverse effect by destroying a unique paleontological resource or site (All Sites except Westlake Pump Station and Site 9) (DEIR Section 5.5.3.4, Pages 5.5-56 to 5.5-57)

Implementation of Mitigation Measure M-CR-3 would reduce the Project's potential construction-related impacts on paleontological resources to *less-than-significant* level by requiring that construction work be temporarily halted or diverted in the event of a paleontological resource discovery, as well as avoidance or salvage of any significant paleontological resources.

- **Mitigation Measure M-CR-3: Suspend Construction Work if a Paleontological Resource is Identified (All Sites except Westlake Pump Station and Site 9)**
- **Impact CR-4.** Project construction could result in a substantial adverse effect related to the disturbance of human remains. (All Sites except Westlake Pump Station) (DEIR Section 5.5.3.4, Pages 5.5-57 to 5.5-58)

Mitigation Measure M-CR-4 would reduce impacts on buried human remains that may be accidentally discovered during Project construction activities to a *less-than-significant* level by requiring the SFPUC to adhere to appropriate excavation, removal, recordation, analysis, custodianship, and final disposition protocols.

- **Mitigation Measure M-CR-4: Accidental Discovery of Human Remains (All Sites except Westlake Pump Station)**
- **Impact CR-5.** Project facilities could cause an adverse change in the significance of a historical resource. (Sites 14, 15) (DEIR Section 5.5.4, Pages 5.5-58 to 5.5-63)

Implementation of Mitigation Measure M-CR-5a would reduce impacts on historic resources to a *less-than-significant* level at Site 14 by screening the new structure, decreasing its prominence on the existing landscape among the headstones, and allowing for a design compatible with the overall site. Implementation of Mitigation Measures M-CR-5b would reduce impacts on historic resources to a *less-than-significant* level at Site 15 by implementing measures to relocate or redesign Project facilities at the site to be in accordance with the *Secretary of the Interior's Standards for Rehabilitation*.

- **Mitigation Measure M-CR-5a: Minimize Facilities Siting Impacts on Elements of the Historical Resource at Site 14**
- **Mitigation Measure M-CR-5b: Minimize Facilities Siting Impacts on Elements of the Historical Resource at Site 15**

This Commission recognizes that Mitigation Measures M-CR-5a and M-CR-5b are partially within the jurisdiction of the Veterans Affairs. This Commission urges the Veterans Affairs to assist in implementing these mitigation measures and finds that the Veterans Affairs can and should participate in implementing these mitigation measures.

**Impact C-CR-1.** Construction of the proposed Project could result in a cumulatively considerable contribution to cumulative impacts on historical, archaeological, or

paleontological resources, or human remains. (All Sites except Westlake Pump Station) (DEIR Section 5.5.3.5, Pages 5.5-64 to 5.5-66)

See Impacts CR-2, CR-3 and CR-4. Implementation of the listed mitigation measures would reduce the Project's contribution to cumulative impacts on paleontological resources encountered during construction to a *less-than-significant* level.

- **Mitigation Measure M-CR-2: Discovery of Archeological Resources (All Sites except Westlake Pump Station)**
- **Mitigation Measure M-CR-3: Suspend Construction Work If a Paleontological Resource Is Identified (All Sites except Westlake Pump Station and Site 9)**
- **Mitigation Measure M-CR-4: Accidental Discovery of Human Remains (All Sites except Westlake Pump Station)**

#### **Transportation and Circulation**

- **Impact TR-1.** The Project would conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system. (Sites 4, 5, 6, 7, 10, 12, 13, 14, 15, 17, 18, 19) (DEIR Section 5.6.3.4, Pages 5.6-20 to 5.6-43)

Implementation of Mitigation Measure M-TR-1 would reduce the potential traffic related impact to a *less-than-significant* level. This measure requires the SFPUC and/or its contractor to implement a traffic control plan to reduce potential impacts on traffic flows and safety hazards during construction activities.

- **Mitigation Measure M-TR-1: Traffic Control Plan (Sites 2, 4, 5, 6, 7, 10, 12, 13, 14, 15, 17, 18, 19)**

This Commission recognizes that Mitigation Measure M-TR-1 is partially within the jurisdiction of Caltrans, SamTrans, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco. This Commission urges Caltrans, SamTrans, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco to assist in implementing this mitigation measure and finds that Caltrans, SamTrans, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco can and should participate in implementing this mitigation measure.

- **Impact TR-2.** The Project would temporarily impair emergency access to adjacent roadways and land uses during construction. (Sites 2, 5, 13) (DEIR Section 5.6.3.4, Pages 5.6-43 to 5.6-50)

Implementation of Mitigation Measure M-TR-1 would reduce the impact of blocked access to the businesses and offices to a *less-than-significant* level by requiring that access be maintained using steel trench plates, and that the contractor have ready at all times the means necessary to accommodate access by emergency vehicles to such properties, such as plating over excavations, short detours, and/or alternate routes.



- **Mitigation Measure M-TR-1: Traffic Control Plan (Sites 2, 4, 5, 6, 7, 10, 12, 13, 14, 15, 17, 18, 19)**

This Commission recognizes that Mitigation Measure M-TR-1 is partially within the jurisdiction of Caltrans, SamTrans, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco. This Commission urges Caltrans, SamTrans, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco to assist in implementing this mitigation measure and finds that Caltrans, SamTrans, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco can and should participate in implementing this mitigation measure.

- **Impact TR-3.** The Project would temporarily decrease the performance and safety of public transit, bicycle, and pedestrian facilities during construction. (Sites 12, 13, 14, 15, 19) (DEIR Section 5.6.3.4, Pages 5.6-51 to 5.6-58)

Implementation of Mitigation Measure M-TR-1 would reduce the impact on sidewalk and pedestrian access to a *less-than-significant* level by maintaining, where safe, pedestrian access and circulation and detours in areas affected by Project construction.

- **Mitigation Measure M-TR-1: Traffic Control Plan (Sites 2, 4, 5, 6, 7, 10, 12, 13, 14, 15, 17, 18, 19)**

This Commission recognizes that Mitigation Measure M-TR-1 is partially within the jurisdiction of Caltrans, SamTrans, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco. This Commission urges Caltrans, SamTrans, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco to assist in implementing this mitigation measure and finds that Caltrans, SamTrans, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco can and should participate in implementing this mitigation measure.

- **Impact C-TR-1.** Construction and operation of the proposed Project could result in a cumulatively considerable contribution to cumulative impacts related to transportation and circulation. (Sites 2, 4, 5, 6, 7, 10, 12, 13, 14, 15, 17, 18, 19) (DEIR Section 5.6.3.6, Pages 5.6-60 to 5.6-68)

See Impacts TR-2 and TR-3. In addition, implementation of Mitigation Measure M-C-TR-1 would ensure that the SFPUC and its contractor coordinate with other SFPUC construction projects in the region to avoid or minimize impacts on emergency access and on the safety of pedestrians and bicyclists during construction of the GSR Project. With implementation of these mitigation measures, the GSR Project's contribution to cumulative impacts related to impairing emergency access and hazards for alternative modes of transportation during construction would be reduced to a *less-than-significant* level.

- **Mitigation Measure M-TR-1: Traffic Control Plan (Sites 2, 4, 5, 6, 7, 10, 12, 13, 14, 15, 17, 18, 19)**
- **Mitigation Measure M-C-TR-1: Coordinate Traffic Control Plan with other SFPUC Construction Projects (Sites 2, 4, 5, 6, 7, 10, 12, 13, 14, 15, 17, 18, 19)**

This Commission recognizes that Mitigation Measure M-TR-1 is partially within the jurisdiction of Caltrans, SamTrans, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco. This Commission urges Caltrans, SamTrans, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco to assist in implementing this mitigation measure and finds that Caltrans, SamTrans, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco can and should participate in implementing this mitigation measure.

### **Noise and Vibration**

- **Impact NO-2.** Project construction would result in excessive groundborne vibration. (Sites 3, 4, 12, 15, 18) (DEIR Section 5.7.3.4, Pages 5.7-48 to 5.7-50)

Mitigation Measure M-NO-2 requires that the construction of pipelines within 25 feet of the structures near Sites 3, 4, 12, 15, and 18 use either non-vibratory means of compaction or controlled low strength materials (CLSM) as backfill so that compaction is not necessary. Either of these pipeline construction methods would avoid significant vibration levels near the building. As a result, with implementation of Mitigation Measure M-NO-2 this groundborne vibration impact would be reduced to a *less-than-significant* level.

- **Mitigation Measure M-NO-2: Reduce Vibration Levels during Construction of Pipelines (Sites 3, 4, 12, 15, 18)**
- **Impact NO-5.** Operation of the Project would result in exposure of people to noise levels in excess of local noise standards or result in a substantial permanent increase in ambient noise levels in the Project vicinity. (Sites 1, Westlake Pump Station, 5, 7, 9, 12, 18) (DEIR Section 5.7.3.5, Pages 5.7-84 to 5.7-94)

See Impact LU-2.

- **Mitigation Measure M-NO-5: Operational Noise Control Measures (Sites 1, 5, 7, 9, 12, 18, Westlake Pump Station)**

### **Air Quality**

- **Impact AQ-2:** Emissions generated during construction activities would violate air quality standards and would contribute substantially to an existing air quality violation. (All sites) (DEIR Section 5.8.3.4, Pages 5.8-23 to 5.8-26)

Implementation of Mitigation Measures M-AQ-2a: BAAQMD Basic Construction Measures and M-AQ-2b would reduce fugitive dust emissions and NOx emissions to a *less-than-significant* level by requiring best management practices to minimize dust emissions and by requiring the construction contractors to use newer equipment or retrofitted equipment that would reduce construction NOx emissions at the alternate sites by 20 percent if alternative sites are constructed.

- **Mitigation Measure M-AQ-2a: BAAQMD Basic Construction Measures (All Sites)**

- **Mitigation Measure M-AQ-2b: NOX Reduction during Construction of Alternate Sites**
- **Impact AQ-3.** Project construction would expose sensitive receptors to substantial pollutant concentration (Site 5) (DEIR Section 5.8.3.4, Pages 5.8-27 to 5.8-29)

Implementation of Mitigation Measure M-AQ-3 would reduce this impact to a *less-than-significant* level by reducing TAC emissions below the significance threshold.

- **Mitigation Measure M-AQ-3: Construction Health Risk Mitigation (Site 5)**
- **Impact C-AQ-1.** Construction and operation of the proposed Project could result in a cumulatively considerable contribution to cumulative impacts related to air quality. (All Sites) (DEIR Section 5.8.3.6, Pages 5.8-31 to 5.8-32)

See Impact AQ-2. Implementation of the listed mitigation measures would reduce the Project's contribution to cumulative impacts to a *less-than-significant* level.

- **Mitigation Measure M-AQ-2a: BAAQMD Basic Construction Measures (All Sites)**
- **Mitigation Measure M-AQ-2b: NOX Reduction during Construction of Alternate Sites**

## Recreation

- **Impact RE-2.** The Project would deteriorate the quality of the recreational experience during construction. (Sites 1, 2, 4) (DEIR Section 5.11.3.4, Pages 5.11-17 to 5.11-24)

Implementation of Mitigation Measure M-AQ-2a would reduce this recreation impact to a *less-than-significant* level with implementation of dust control measures and equipment and vehicle best management practices.

- **Mitigation Measure M-AQ-2a: BAAQMD Basic Construction Measures (All Sites)**

## Utilities and Service Systems

- **Impact UT-1:** Project construction could result in potential damage to or temporary disruption of existing utilities during construction. (All Sites) (DEIR Section 5.12.3.4, Pages 5.12-10 to 5.12-14)

Implementation of Mitigation Measures M-UT-1a, M-UT-1b, M-UT-1c, M-UT-1d, M-UT-1e, M-UT-1f, M-UT-1g, M-UT-1h, and M-UT-1i would reduce impacts related to the potential disruption and relocation of utility operations or accidental damage to existing utilities to a *less-than-significant* level by requiring that the SFPUC and/or its contractor(s) identify the potentially affected lines in advance, coordinate with utility service providers to minimize the risk of damage to existing utility lines, protect lines in place to the extent possible or temporarily reroute lines if necessary, and take special precautions when working near high-priority utility lines (e.g., gas transmission lines).

- **Mitigation Measure M-UT-1a: Confirm Utility Line Information (All Sites)**
- **Mitigation Measure M-UT-1b: Safeguard Employees from Potential Accidents Related to Underground Utilities (All Sites)**
- **Mitigation Measure M-UT-1c: Notify Local Fire Departments (All Sites)**
- **Mitigation Measure M-UT-1d: Emergency Response Plan (All Sites)**
- **Mitigation Measure M-UT-1e: Advance Notification (All Sites)**
- **Mitigation Measure M-UT-1f: Protection of Other Utilities during Construction (All Sites)**
- **Mitigation Measure M-UT-1g: Ensure Prompt Reconnection of Utilities (All Sites)**
- **Mitigation Measure M-UT-1h: Avoidance of Utilities Constructed or Modified by Other SFPUC Projects (All Sites)**
- **Mitigation Measure M-UT-1i: Coordinate Final Construction Plans with Affected Utilities (All Sites)**
- **Impact UT-4:** Project construction could result in a substantial adverse effect related to compliance with federal, State, and local statutes and regulations pertaining to solid waste. (All Sites) (DEIR Section 5.12.3.4, Pages 5.12-17 to 5.12-18)

Implementation of Mitigation Measure M-UT-4 would mitigate this impact to a *less-than-significant* level by requiring the construction contractor to prepare and implement a waste management plan.

- **Mitigation Measure M-UT-4: Waste Management Plan (All Sites)**
- **Impact C-UT-1:** Construction and operation of the proposed Project could result in a cumulatively considerable contribution to cumulative impacts related to utilities and service systems. (All Sites) (DEIR Section 5.12.3.6, Pages 5.12-20 to 5.12-24)

See Impacts UT-1 and UT-4. Implementation of the listed mitigation measures would reduce the Project's contribution to cumulative impacts on utilities and service systems to a *less-than-significant* level.

- **Mitigation Measure M-UT-1a: Confirm Utility Line Information (All Sites)**
- **Mitigation Measure M-UT-1b: Safeguard Employees from Potential Accidents Related to Underground Utilities (All Sites)**
- **Mitigation Measure M-UT-1c: Notify Local Fire Departments (All Sites)**
- **Mitigation Measure M-UT-1d: Emergency Response Plan (All Sites)**

- **Mitigation Measure M-UT-1e: Advance Notification (All Sites)**
- **Mitigation Measure M-UT-1f: Protection of Other Utilities during Construction (All Sites)**
- **Mitigation Measure M-UT-1g: Ensure Prompt Reconnection of Utilities (All Sites)**
- **Mitigation Measure M-UT-1h: Avoidance of Utilities Constructed or Modified by Other SFPUC Projects (All Sites)**
- **Mitigation Measure M-UT-1i: Coordinate Final Construction Plans with Affected Utilities (All Sites)**
- **Mitigation Measure M-UT-4: Waste Management Plan (All Sites)**

### **Biological Resources**

- **Impact BR-1.** Project construction would adversely affect candidate, sensitive, or special-status species. (All Sites) (DEIR Section 5.14.3.4, Pages 5.14-53 to 5.14-58)

Implementation of Mitigation Measures M-BR-1a, M-BR-1b, M-BR-1c and M-BR-1d would reduce construction impacts on special-status and migratory birds, special status bat species, and monarch butterflies to a *less-than-significant* level by (1) requiring pre-construction surveys by a qualified biologist to determine whether special-status or migratory bird nests are present at or near the well facility sites and implementing related protection measures; (2) requiring pre-construction surveys and the avoidance of disturbance to roosting bats; (3) conducting surveys and installing bat exclusion devices; and (4) requiring an inspection by a qualified biologist prior to the limbing or felling of trees or the initiation of construction activities on these sites, whichever comes first; and by delaying construction at a particular site if overwintering congregations of monarch butterflies are identified on site or nearby.

- **Mitigation Measure M-BR-1a: Protection Measures during Construction for Special status Birds and Migratory Passerines and Raptors (All Sites)**
- **Mitigation Measure M-BR-1b: Protection Measures for Special-status Bats during Tree Removal or Trimming (Sites 1, 3, 4, 7, 10, 11, 12, 15, 16)**
- **Mitigation Measure M-BR-1c: Protection Measures during Structure Demolition for Special-status Bats (Site 1)**
- **Mitigation Measure M-BR-1d: Monarch Butterfly Protection Measures (Sites 1, 3, 7, 10, 12)**

This Commission recognizes that Mitigation Measure M-BR-1a is partially within the jurisdiction of the California Department of Fish and Wildlife. This Commission urges the California Department of Fish and Wildlife to assist in implementing this mitigation measure and finds that the California Department of Fish and Wildlife can and should participate in implementing this mitigation measure.



- **Impact BR-2.** Project construction could adversely affect riparian habitat or other sensitive natural communities. (Site 1) (DEIR Section 5.14.3.4, Pages 5.14-58 to 5.14-69)

Implementation of Mitigation Measure M-HY-1 and M-BR-2 would reduce the potential impacts on riparian habitat at Site 1 to *less-than-significant* levels by requiring the installation of temporary fencing to demarcate the boundary for construction activities at this site and by protecting the area from construction-related runoff and sedimentation.

- **Mitigation Measure M-HY-1: Develop and Implement a Storm Water Pollution Prevention Plan ("SWPPP") or an Erosion and Sediment Control Plan (All Sites)**
- **Mitigation Measure M-BR-2: Avoid Disturbance to Riparian Habitat (Site 1)**

This Commission recognizes that Mitigation Measure M-HY-1 is partially within the jurisdiction of SWRCB, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco. This Commission urges SWRCB, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco to assist in implementing this mitigation measure and finds that SWRCB, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco can and should participate in implementing this mitigation measure.

- **Impact BR-3.** The Project would impact jurisdictional wetlands or waters of the United States. (Sites 8, 9, 11) (DEIR Section 5.14.3.4, Pages 5.14-69 to 5.14-73)

Implementation of Mitigation Measure M-HY-1 would reduce impacts to *less-than-significant* levels by protecting the area from construction related runoff and sedimentation.

- **Mitigation Measure M-HY-1: Develop and Implement a Storm Water Pollution Prevention Plan ("SWPPP") or an Erosion and Sediment Control Plan (All Sites)**

This Commission recognizes that Mitigation Measure M-HY-1 is partially within the jurisdiction of SWRCB, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco. This Commission urges SWRCB, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco to assist in implementing this mitigation measure and finds that SWRCB, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco can and should participate in implementing this mitigation measure.

- **Impact BR-4.** Project construction would conflict with local tree preservation ordinances. (Sites 3, 4, 7, 9, 10, 11, 12, 13, 14, 15, 17, 18) (DEIR Section 5.14.3.4, Pages 5.14-73 to 5.14-79)

Implementation of Mitigation Measures M-BR-4a, M-BR-4b, and M-AE-1b would reduce to *less-than-significant* levels any impacts due to a conflict with local tree preservation ordinance by minimizing impacts on protected trees and requiring replacement trees for protected trees that are removed, in substantial accordance with local jurisdiction requirements.

- **Mitigation Measure M-BR-4a: Identify Protected Trees (Sites 3, 4, 7, 10, 11, 12, 13, 14, 15, 17)**
- **Mitigation Measure M-BR-4b: Protected Tree Replacement (Sites 4, 7, 9, 12, 15, 18)**
- **Mitigation Measure M-AE-1b: Tree Protection Measures (Sites 3, 4, 7, 10, 11, 12, 13, 14, 15, 17)**

This Commission recognizes that Mitigation Measure M-BR-4b is partially within the jurisdiction of San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno and South San Francisco. This Commission urges the San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno and South San Francisco to assist in implementing this mitigation measure and finds that the San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno and South San Francisco can and should participate in implementing this mitigation measure.

- **Impact BR-5. Project operations could adversely affect candidate, sensitive, or special-status species.** (Sites 1, 7, 12, 18, Westlake Pump Station) (DEIR Section 5.14.3.5, Pages 5.14-79 to 5.14-82)

Implementation of Mitigation Measure M-NO-5 would reduce this potential impact on sensitive biological resources to a *less-than-significant* level by requiring noise reduction measures at the site.

- **Mitigation Measure M-NO-5: Operational Noise Control Measures (Sites 1, 5, 7, 9, 12, 18, Westlake Pump Station)**
- **Impact BR-7: Operation of the Project could adversely affect sensitive habitat types associated with Lake Merced.** (All Sites) (DEIR Section 5.14.3.6, Pages 5.14-85 to 5.14-89)

Implementation of Mitigation Measures M-BR-7, M-HY-9a and M-HY-9b requires the SFPUC to implement lake level management procedures to maintain Lake Merced at water levels due to the Project. Implementation of these mitigation measures would reduce impacts on sensitive habitat at Lake Merced to a *less-than-significant* level.

- **Mitigation Measure M-HY-9a: Lake Level Monitoring and Modeling for Lake Merced**
- **Mitigation Measure M-HY-9b: Lake Level Management for Lake Merced**
- **Mitigation Measure M-BR-7: Lake Level Management for Water Level Increases for Lake Merced**

This Commission recognizes that Mitigation Measure M-BR-7 is partially within the jurisdiction of Daly City. This Commission urges Daly City to assist in implementing this mitigation measure and finds that Daly City can and should participate in implementing this mitigation measure.

- **Impact BR-8:** Operation of the Project could adversely affect wetland habitats and other waters of the United States associated with Lake Merced. (All Sites) (DEIR Section 5.14.3.6, Pages 5.14-90 to 5.14-97)

Implementation of Mitigation Measure M-HY-9a, M-HY-9b, and M-BR-8 would reduce impacts on wetland habitats and other waters of the United States associated with Lake Merced to *less-than-significant* levels by requiring corrective actions if lake levels exceed the range of lake level changes shown in Table 5.14-16 (Lake Merced Water Surface Elevation Range that Results in a Predicted No-Net-Loss of Wetlands), due to the Project (i.e., the right-hand column).

- **Mitigation Measure M-HY-9a: Lake Level Monitoring and Modeling for Lake Merced**
- **Mitigation Measure M-HY-9b: Lake Level Management for Lake Merced**
- **Mitigation Measure M-BR-8: Lake Level Management for No-Net-Loss of Wetlands for Lake Merced**

This Commission recognizes that Mitigation Measure M-BR-8 is partially within the jurisdiction of Daly City. This Commission urges Daly City to assist in implementing this mitigation measure and finds that Daly City can and should participate in implementing this mitigation measure.

- **Impact BR-9:** Operation of the Project could adversely affect native wildlife nursery sites associated with Lake Merced. (All Sites) (DEIR Section 5.14.3.6, Pages 5.14-97 to 5.14-100)

Implementation of Mitigation Measures M-HY-9a and M-BR-7 would reduce potential impacts on native wildlife nursery sites to *less-than-significant* levels through management of water levels to avoid Project-related losses of this habitat, along with other sensitive communities.

- **Mitigation Measure M-HY-9a: Lake Level Monitoring and Modeling for Lake Merced**
- **Mitigation Measure M-BR-7: Lake Level Management for Water Level Increases for Lake Merced**

This Commission recognizes that Mitigation Measure M-BR-7 is partially within the jurisdiction of Daly City. This Commission urges Daly City to assist in implementing this mitigation measure and finds that Daly City can and should participate in implementing this mitigation measure.

- **Impact C-BR-1: Construction and operation of the proposed Project could result in significant cumulative impacts related to biological resources.** (All Sites) (DEIR Section 5.14.3.7, Pages 5.14-100 to 5.14-102)

See Impacts BR-1, BR-2, BR-3, and BR-4. Implementation of the listed mitigation measures would reduce the GSR Project's contribution to cumulative temporary impacts on biological resources to a *less-than-significant* level.

- **Mitigation Measure M-BR-1a: Protection Measures during Construction for Special status Birds and Migratory Passerines and Raptors (All Sites)**
- **Mitigation Measure M-BR-1b: Protection Measures for Special-status Bats during Tree Removal or Trimming (Sites 1, 3, 4, 7, 10, 11, 12, 15, 16)**
- **Mitigation Measure M-BR-1c: Protection Measures during Structure Demolition for Special-status Bats (Site 1)**
- **Mitigation Measure M-BR-1d: Monarch Butterfly Protection Measures (Sites 1, 3, 7, 10, 12)**
- **Mitigation Measure M-BR-2: Avoid Disturbance to Riparian Habitat (Site 1)**
- **Mitigation Measure M-BR-4a: Identify Protected Trees (Sites 3, 4, 7, 10, 11, 12, 13, 14, 15, 17)**
- **Mitigation Measure M-BR-4b: Protected Tree Replacement (Sites 4, 7, 9, 12, 15, 18)**
- **Mitigation Measure M-AE-1b: Tree Protection Measures (Sites 3, 4, 7, 10, 11, 12, 13, 14, 15, 17)**
- **Mitigation Measure M-HY-1: Develop and Implement a Storm Water Pollution Prevention Plan ("SWPPP") or an Erosion and Sediment Control Plan (All Sites)**

This Commission recognizes that Mitigation Measure M-BR-1a is partially within the jurisdiction of CDFW, Mitigation Measure M-BR-4b is partially within the jurisdiction of San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco; and Mitigation Measure M-HY-1 is partially within the jurisdiction of SWRCB, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco. This Commission urges CDFW, SWRCB, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco to assist in implementing these mitigation measures and finds that CDFW, SWRCB, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco can and should participate in implementing these mitigation measures.

- **Impact C-BR-2: The Project would result in cumulative construction or operational impacts related to special-status species, riparian habitat, sensitive communities,**

wetlands, or waters of the United States, or compliance with local policies and ordinances protecting biological resources at Lake Merced. (All Sites) (DEIR Section 5.14.3.7, Pages 5.14-103 to 5.14-106)

See Impact BR-7. Implementation of the listed mitigation measures would reduce the GSR Project's contribution to cumulative impacts on Vancouver rye grassland and fisheries and fish habitat at Lake Merced to *less-than-significant* levels.

- **Mitigation Measure M-HY-9a: Lake Level Monitoring and Modeling for Lake Merced**
- **Mitigation Measure M-HY-9b: Lake Level Management for Lake Merced**
- **Mitigation Measure M-BR-7: Lake Level Management for Water Level Increases for Lake Merced**

This Commission recognizes that Mitigation Measure M-BR-7 is partially within the jurisdiction of Daly City. This Commission urges Daly City to assist in implementing this mitigation measure and finds that Daly City can and should participate in implementing this mitigation measure.

### **Geology and Soils**

- **Impact GE-3:** The Project would expose people or structures to substantial adverse effects related to the risk of property loss, injury, or death due to fault rupture, seismic groundshaking, or landslides. (All Sites) (DEIR Section 5.15.3.5, Pages 5.15-20 to 5.15-22)

Mitigation Measure M-GE-3 (Conduct Site-Specific Geotechnical Investigations and Implement Recommendations) would reduce the impact of seismic ground shaking, as well as settlement (see Impact GE-4), on well facilities to a *less-than-significant* level by requiring facilities to be designed and constructed in conformance with specific recommendations contained in design-level geotechnical studies, such as site-specific seismic design parameters and lateral earth pressures, use of engineered fill, and subgrade preparations for foundations systems and floor slabs.

- **Mitigation Measure M-GE-3: Conduct Site-Specific Geotechnical Investigations and Implement Recommendations (All Sites)**
- **Impact GE-4:** The Project would be located on a geologic unit or soil that is unstable, or that would become unstable. (Sites 1, 5, 8, 12, 13, 14, 15, 16, 17, and 19) (DEIR Section 5.15.3.5, Pages 5.15-23 to 5.15-25)

Mitigation Measure M-GE-3 (Conduct Site-Specific Geotechnical Investigations and Implement Recommendations) would reduce the impact of settlement on these well facilities to a *less-than-significant* level by requiring facilities to be designed and constructed in conformance with specific recommendations contained in design-level geotechnical studies, such as over-excavation of artificial materials, re-compaction with moisture treated engineered fill, supporting structures on structurally rigid mat



foundations, post-tensioning to reinforce and increase structural rigidity, and using flexible pipe connections.

- **Mitigation Measure M-GE-3: Conduct Site-Specific Geotechnical Investigations and Implement Recommendations (All Sites)**

#### **Hydrology and Water Quality**

- **Impact HY-1:** Project construction activities would degrade water quality as a result of erosion or siltation caused by earthmoving activities or by the accidental release of hazardous construction chemicals during construction. (All Sites) (DEIR Section 5.16.3.5, Pages 5.16-62 to 5.16-66)

Mitigation Measure M-HY-1 (Develop and Implement a Storm Water Pollution Prevention Plan [SWPPP] or an Erosion and Sediment Control Plan) would reduce potential water quality impacts during Project construction activities to a *less-than-significant* level by requiring measures to control erosion and sedimentation of receiving water bodies and minimize the risk of hazardous materials releases to surface water bodies. At sites where more than one acre of land would be disturbed, compliance with the requirements of the NPDES General Permit for Storm Water Discharges Associated with Construction Activity would be required.

- **Mitigation Measure M-HY-1: Develop and Implement a Storm Water Pollution Prevention Plan (“SWPPP”) or an Erosion and Sediment Control Plan (All Sites)**

This Commission recognizes that Mitigation Measure M-HY-1 is partially within the jurisdiction of SWRCB, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco. This Commission urges SWRCB, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco to assist in implementing this mitigation measure and finds that SWRCB, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco can and should participate in implementing this mitigation measure.

- **Impact HY-2:** Discharge of groundwater could result in minor localized flooding, violate water quality standards, and/or otherwise degrade water quality. (All sites except Westlake Pump Station) (DEIR Section 5.16.3.5, Pages 5.16-66 to 5.16-69)

Mitigation Measure M-HY-2 (Management of Well Development and Pump Testing Discharges) would reduce potential water quality impacts from well development and pump testing to a *less-than-significant* level by requiring the construction contractor to prepare and implement a Project-specific discharge plan that specifies how effluent would be managed to protect water quality.

- **Mitigation Measure M-HY-2: Management of Well Development and Pump Testing Discharges (All Sites except Westlake Pump Station)**

This Commission recognizes that Mitigation Measure M-HY-2 is partially within the jurisdiction of the RWQCB. This Commission urges the RWQCB to assist in

implementing this mitigation measure and finds that the RWQCB can and should participate in implementing this mitigation measure.

- **Impact HY-6:** Project operation would decrease the production rate of existing nearby irrigation wells due to localized groundwater drawdown within the Westside Groundwater Basin such that existing or planned land use(s) may not be fully supported. (All Sites) (DEIR Section 5.16.3.7, Pages 5.16-73 to 5.16-100; C&R Section 9.3.14, Pages 9.3.14-99 to 9.3.14-147)

Implementation of Mitigation Measure M-HY-6 would reduce impacts related to well interference, which may cause a decrease in production capacity at existing irrigation wells, to a *less-than-significant* level by conducting irrigation well monitoring and identifying a specific trigger level for each irrigation well at which time mitigation actions would be implemented. Mitigation Measure M-HY-6 includes having the SFPUC install a connection to the Regional Water System to allow the delivery of surface water if trigger levels are approached and well production capacity is decreased by the project operations. Mitigation Measure M-HY-6 includes actions by the SFPUC to reduce or redistribute project pumping based on identified trigger levels for each irrigation well. Mitigation Measure M-HY-6 also includes permanent mitigation actions that SFPUC would implement with the cooperation of irrigators to assure production rates are maintained at irrigation wells.

- **Mitigation Measure M-HY-6: Ensure Irrigators' Wells Are Not Prevented from Supporting Existing or Planned Land Use(s) Due to Project Operation**

This Commission recognizes that Mitigation Measure M-HY-6 is partially within the jurisdiction of San Mateo County. This Commission urges San Mateo County to assist in implementing this mitigation measure and finds that San Mateo County can and should participate in implementing this mitigation measure.

- **Impact HY-9:** Project operation could have a substantial, adverse effect on water quality that could affect the beneficial uses of Lake Merced. (All Sites) (DEIR Section 5.16.3.5, Pages 5.16-66 to 5.16-69)

Impacts related to water quality and associated beneficial uses of Lake Merced would be reduced to a *less-than-significant* level with implementation of Mitigation Measures M-HY-9a and M-HY-9b by requiring the SFPUC to implement lake level management procedures to maintain Lake Merced water levels above 0 feet City Datum. These procedures include the continuation of lake-level and groundwater monitoring; redistribution of pumping patterns or decreasing the Project pumping rate; or additions of supplemental water (either from the regional system water, treated stormwater, or recycled water), if available.

- **Mitigation Measure M-HY-9a: Lake Level Monitoring and Modeling for Lake Merced**
- **Mitigation Measure M-HY-9b: Lake Level Management for Lake Merced**

- **Impact HY-14:** Project operation may have a substantial adverse effect on groundwater depletion in the Westside Groundwater Basin over the very long term. (All Sites) (DEIR Section 5.16.3.7, Pages 5.16-142 to 5.16-146)

Mitigation Measure M-HY-14 would reduce impacts of the Project on long-term depletion of groundwater storage to less-than-significant levels by the SFPUC and the GSR Operating Committee requiring Project pumping to be restricted to extract only the volume of water in the SFPUC Storage Account, which would be adjusted to account for Basin storage losses.

- **Mitigation Measure M-HY-14: Prevent Groundwater Depletion**
- **Impact C-HY-1:** Project construction could result in a cumulatively considerable contribution to cumulative impacts on surface water hydrology and water quality. (All sites) (DEIR Section 5.16.3.8, Pages 5.16-147 to 5.16-149)

See Impacts HY-1 and HY-2. Implementation of the listed mitigation measures would reduce the Project's contribution to cumulative impacts associated with soil erosion and sedimentation and discharges of dewatering effluent to *less-than-significant* levels.

- **Mitigation Measure M-HY-1: Develop and Implement a Storm Water Pollution Prevention Plan ("SWPPP") or an Erosion and Sediment Control Plan (All Sites)**
- **Mitigation Measure M-HY-2: Management of Well Development and Pump Testing Discharges (All Sites except Westlake Pump Station)**

This Commission recognizes that Mitigation Measure M-HY-1 is partially within the jurisdiction of SWRCB, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco and Mitigation Measure M-HY-2 is partially within the jurisdiction of the RWQCB. This Commission urges the SWRCB, RWQCB, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco to assist in implementing these mitigation measures and finds that the SWRCB, RWQCB San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco can and should participate in implementing these mitigation measures.

- **Impact C-HY-5:** Operation of the proposed Project could have a cumulatively considerable contribution to cumulative impacts on beneficial uses of surface waters. (All Sites) (DEIR Section 5.16.3.8, Pages 5.16-156 to 5.16-159)

See Impact HY-9. Implementation of the listed mitigation measures would reduce the Project's contribution to cumulative impacts associated with beneficial uses of Lake Merced to *less-than-significant* levels.

- **Mitigation Measure M-HY-9a: Lake Level Monitoring and Modeling for Lake Merced**
- **Mitigation Measure M-HY-9b: Lake Level Management for Lake Merced**

- **Impact C-HY-8:** Operation of the proposed Project would have a cumulatively considerable contribution to a cumulative impact related to groundwater depletion effect. (All Sites) (DEIR Section 5.16.3.8, Pages 5.16-161—5.16-176)

See Impact HY-14. Implementation of Mitigation Measure M-HY-14 would reduce the Project's contribution to any potential long-term cumulative depletion of groundwater storage to a *less-than-significant* level.

- **Mitigation Measure M-HY-14: Prevent Groundwater Depletion**

This Commission recognizes that Mitigation Measure M-HY-14 is partially within the jurisdiction of the cities of Daly City and San Bruno. This Commission urges the cities of Daly City and San Bruno to assist in implementing this mitigation measure and finds that the cities of Daly City and San Bruno can and should participate in implementing this mitigation measure.

### **Hazards and Hazardous Materials**

- **Impact HZ-2:** The Project would result in a substantial adverse effect related to reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment during construction. (All Sites) (DEIR Section 5.17.3.4, Pages 5.17-27 to 5.17-32)

The potential impact associated with release of hazardous materials during construction would be reduced to a *less-than significant* level with implementation of Mitigation Measures M-HZ-2a, M-HZ-2b, M-HZ-2c and M-HY-1 by requiring: (1) a preconstruction hazardous materials assessment within three months of construction to identify new hazardous materials sites or substantial changes in the extent of contamination at known groundwater contamination sites that could affect subsurface conditions at proposed well facility sites; (2) preparation of a site health and safety plan to protect construction worker health and safety; (3) a hazardous materials management plan to ensure that appropriate procedures are followed in the event that hazardous materials, including unanticipated hazardous materials, are encountered during project construction, and to ensure that hazardous materials are transported and disposed of in a safe and lawful manner; and (4) preparation and implementation of a storm water pollution prevention plan or an erosion and sediment control plan. See also Impact HY-1.

- **Mitigation Measure M-HZ-2a: Preconstruction Hazardous Materials Assessment (All Sites)**
- **Mitigation Measure M-HZ-2b: Health and Safety Plan (All Sites)**
- **Mitigation Measure M-HZ-2c: Hazardous Materials Management Plan (All Sites)**
- **Mitigation Measure M-HY-1: Develop and Implement a Storm Water Pollution Prevention Plan ("SWPPP") or an Erosion and Sediment Control Plan (All Sites)**

This Commission recognizes that Mitigation Measure M-HZ-2c is partially within the jurisdiction of San Mateo County. This Commission urges San Mateo County to assist in implementing this mitigation measure and finds that San Mateo County can and should participate in implementing this mitigation measure.

- **Impact HZ-3:** The Project would result in impacts from the emission or use of hazardous materials within 0.25 mile of a school during construction. (Sites 2, 3, 4, 19 and Westlake Pump Station) (DEIR Section 5.17.3.4, Pages 5.17-33 to 5.17-36)

Implementation of Mitigation Measures M-HY-1 and M-HZ-2c would reduce impacts on Ben Franklin Intermediate School, Garden Village Elementary School, and R.W. Drake Preschool, due to emission or use of hazardous materials during construction, to a *less-than-significant* level by requiring measures for controlling non-stormwater (i.e., equipment maintenance and servicing requirements and equipment fueling requirements), waste, and potential hazardous materials pollution, which would also reduce the potential for the accidental release of hazardous construction chemicals, and by requiring the contractor to prepare a Hazards Materials Management Plan to ensure proper handling of all hazardous substances that are used during construction.

- **Mitigation Measure M-HY-1: Develop and Implement a Storm Water Pollution Prevention Plan [SWPPP] or an Erosion and Sediment Control Plan (All Sites)**
- **Mitigation Measure M-HZ-2c: Hazardous Materials Management Plan (All Sites)**

This Commission recognizes that Mitigation Measure M-HY-1 is partially within the jurisdiction of SWRCB, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco. This Commission urges SWRCB, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco to assist in implementing this mitigation measure and finds that SWRCB, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco can and should participate in implementing this mitigation measure.

- **Impact C-HZ-1:** Construction and operation of the proposed Project could result in a cumulatively considerable contribution to cumulative impacts related to hazards and hazardous materials. (All Sites) (DEIR Section 5.17.3.6, Pages 5.17-40 to 5.17-45)

See Impact HZ-2. Implementation of the GSR Project's contribution to cumulative impacts related to release of hazardous chemicals during construction would be reduced to a *less-than-significant* level with implementation of the listed mitigation measures.

- **Mitigation Measure M-HZ-2a: Preconstruction Hazardous Materials Assessment (All Sites)**
- **Mitigation Measure M-HZ-2b: Health and Safety Plan (All Sites)**
- **Mitigation Measure M-HZ-2c: Hazardous Materials Management Plan (All Sites)**



- **Mitigation Measure M-HY-1: Develop and Implement a Storm Water Pollution Prevention Plan (“SWPPP”) or an Erosion and Sediment Control Plan (All Sites)**

This Commission recognizes that Mitigation Measure M-HZ-2c is partially within the jurisdiction of San Mateo County. This Commission urges San Mateo County to assist in implementing this mitigation measure and finds that San Mateo County can and should participate in implementing this mitigation measure.

## **B. Impacts of Mitigation**

The Final EIR identified potentially significant secondary impacts that could result from construction activities associated with implementation of certain mitigation actions identified in Mitigation Measure M-HY-6. The Final EIR determined that mitigation measures identified to mitigate construction-related impacts of the Project would also mitigate construction-related impacts associated with implementation of these mitigation actions. In making these findings and adopting **Attachment B**, the **MMRP**, the Commission finds that application of Project mitigation measures to the secondary impacts of implementing mitigation actions under Mitigation Measure M-HY-6 will reduce the impacts listed in this Section III to *less-than-significant* levels. **Attachment B**, the **MMRP**, includes **Table MMRP-2**, Mitigation Measures Applicable to Implementation of M-HY-6 Mitigation Actions. **Table MMRP-2** to the **MMRP** identifies which Project mitigation measures would apply to reduce the secondary impacts associated with construction activities undertaken to implement any of the identified mitigation actions in Mitigation Measure M-HY-6. This information is also summarized below and discussed in the DEIR Section 5.16, Pages 5.16-162 to 5.16-174 and in the C&R Section 9.5, Pages 9.5-63 to 9.5-72.

### **Land Uses**

- Impacts to recreational land uses at golf courses and visual quality or scenic views in golf courses or cemeteries. (**Mitigation Action #3: Replace Irrigation Water Source.**)
  - **Mitigation Measure M-AE-1a: Site Maintenance**
  - **Mitigation Measure M-NO-1: Noise Control Plan**
  - **Mitigation Measure M-AQ-2a: BAAQMD Basic Construction Measures**
  - **Mitigation Measure M-TR-1: Traffic Control Plan**

This Commission recognizes that Mitigation Measure M-TR-1 is partially within the jurisdiction of Caltrans, SamTrans, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco. This Commission urges Caltrans, SamTrans, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco to assist in implementing this mitigation measure and finds that Caltrans, SamTrans, San Mateo County, the Town of Colma, and

the cities of Daly City, Millbrae, San Bruno, and South San Francisco can and should participate in implementing this mitigation measure.

#### **Aesthetics**

- Impacts due to view of construction equipment, vehicles and activities. (**Mitigation Action #3: Replace Irrigation Water Source; Mitigation Action #6: Lower Pump in Irrigation Well; Mitigation Action #7: Lower And Change Pump in Irrigation Well; Mitigation Action #8: Add Storage Capacity for Irrigation Supply Mitigation Action #9: Replace Irrigation Well.**)
  - **Mitigation Measure M-AE-1a: Site Maintenance**

#### **Cultural and Paleontological Resources**

- Impacts due to constructing close to an historic resource. (**Mitigation Action #3: Replace Irrigation Water Source; Mitigation Action #8: Add Storage Capacity for Irrigation Supply; Mitigation Action #9: Replace Irrigation Well.**)
  - **Mitigation Measure M-AE-3a: Implement Landscape Screening**
- Impacts from disturbance of archeological or paleontological resources. (**Mitigation Action #3: Replace Irrigation Water Source; Mitigation Action #8: Add Storage Capacity for Irrigation Supply; Mitigation Action #9: Replace Irrigation Well.**)
  - **Mitigation Measure M-CR-2: Discovery of Archaeological Resources**
  - **Mitigation Measure M-CR-3: Suspend Construction Work if a Paleontological Resource is Identified**
  - **Mitigation Measure M-CR-4: Accidental Discovery of Human Remains**

#### **Transportation and Circulation**

- Temporary impacts to local roadway circulation. (**Mitigation Action #3: Replace Irrigation Water Source; Mitigation Action #6: Lower Pump in Irrigation Well; Mitigation Action #7: Lower And Change Pump in Irrigation Well; Mitigation Action #8: Add Storage Capacity for Irrigation Supply; Mitigation Action #9: Replace Irrigation Well.**)
  - **Mitigation Measure M-TR-1: Traffic Control Plan**

This Commission recognizes that Mitigation Measure M-TR-1 is partially within the jurisdiction of Caltrans, SamTrans, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco. This Commission urges Caltrans, SamTrans, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco to assist in implementing this mitigation measure and finds that Caltrans, SamTrans, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco can and should participate in implementing this mitigation measure.

## Noise and Vibration

- Impacts from construction noise exceeding local noise standards or increasing ambient noise levels. (**Mitigation Action #3: Replace Irrigation Water Source (LSM); Mitigation Action #8: Add Storage Capacity for Irrigation Supply (LSM); Mitigation Action #9: Replace Irrigation Well (SUM, See Section IV, B).)**
  - **Mitigation Measure M-NO-1: Noise Control Plan**

## Air Quality

- Impacts during construction from fugitive dust or emissions of other criteria air pollutants. (**Mitigation Action #3: Replace Irrigation Water Source; Mitigation Action #8: Add Storage Capacity for Irrigation Supply; Mitigation Action #9: Replace Irrigation Well.**)
  - **Mitigation Measure M-AQ-2a: BAAQMD Basic Construction Measures**

## Utilities and Service Systems

- Impact from generation of solid waste. (**Mitigation Action #3: Replace Irrigation Water Source; Mitigation Action #8: Add Storage Capacity for Irrigation Supply; Mitigation Action #9: Replace Irrigation Well.**)
  - **Mitigation Measure M-UT-4: Waste Management Plan**
- Impacts from potential disruption and relocation of utilities or accidental damage to existing utilities. (**Mitigation Action #3: Replace Irrigation Water Source; Mitigation Action #8: Add Storage Capacity for Irrigation Supply; Mitigation Action #9: Replace Irrigation Well.**)
  - **Mitigation Measure M-UT-1a: Confirm Utility Line Information**
  - **Mitigation Measure M-UT-1b: Safeguard Employees from Potential Accidents Related to Underground Utilities**
  - **Mitigation Measure M-UT-1c: Notify Local Fire Departments**
  - **Mitigation Measure M-UT-1d: Emergency Response Plan**
  - **Mitigation Measure M-UT-1e: Advance Notification**
  - **Mitigation Measure M-UT-1f: Protection of Other Utilities during Construction**
  - **Mitigation Measure M-UT-1g: Ensure Prompt Reconnection of Utilities**
  - **Mitigation Measure M-UT-1h: Avoidance of Utilities Constructed or Modified by Other SFPUC Projects**

- **Mitigation Measure M-UT-1i: Coordinate Final Construction Plans with Affected Utilities**

#### **Biological Resources**

- Impacts from tree removals or disturbance of sensitive habitats. (**Mitigation Action #3: Replace Irrigation Water Source; Mitigation Action #8: Add Storage Capacity for Irrigation Supply; Mitigation Action #9: Replace Irrigation Well.**)
- **Mitigation Measure M-BR-1a: Protection Measures during Construction for Special status Birds and Migratory Passerines and Raptors**
- **Mitigation Measure M-BR-1b: Protection Measures for Special-status Bats during Tree Removal or Trimming**
- **Mitigation Measure M-BR-1c: Protection Measures during Structure Demolition for Special-status Bats**
- **Mitigation Measure M-HY-1: Develop and Implement a Storm Water Pollution Prevention Plan (“SWPPP”) or an Erosion and Sediment Control Plan**
- **Mitigation Measure M-BR-4a: Identify Protected Trees**
- **Mitigation Measure M-BR-4b: Protected Tree Replacement**

This Commission recognizes that Mitigation Measure M-BR-1a is partially within the jurisdiction of CDFW, Mitigation Measure M-BR-4b is partially within the jurisdiction of San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco; and Mitigation Measure M-HY-1 is partially within the jurisdiction of SWRCB, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco. This Commission urges CDFW, SWRCB, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco to assist in implementing these mitigation measures and finds that CDFW, SWRCB, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco can and should participate in implementing these mitigation measures.

#### **Geology and Soils**

- Impacts from placement of pipelines or storage tank on or in unstable soil. (**Mitigation Action #3: Replace Irrigation Water Source; Mitigation Action #7: Lower And Change Pump in Irrigation Well.**)
- **Mitigation Measure M-GE-3: Conduct Site-Specific Geotechnical Investigations and Implement Recommendations**

#### **Hydrology and Water Quality**

- Impacts to water quality from erosion and sedimentation caused by vegetation removal. **(Mitigation Action #3: Replace Irrigation Water Source; Mitigation Action #8: Add Storage Capacity for Irrigation Supply; Mitigation Action #9: Replace Irrigation Well.)**
- **Mitigation Measure M-HY-1: Develop and Implement a Storm Water Pollution Prevention Plan (“SWPPP”) or an Erosion and Sediment Control Plan**

This Commission recognizes that Mitigation Measure M-HY-1 is partially within the jurisdiction of SWRCB, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco. This Commission urges SWRCB, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco to assist in implementing this mitigation measure and finds that SWRCB, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco can and should participate in implementing this mitigation measure.

#### **Hazards and Hazardous Materials**

- Impacts from accidental release of hazardous materials, including near a school. **(Mitigation Action #3: Replace Irrigation Water Source; Mitigation Action #6: Lower Pump in Irrigation Well; Mitigation Action #7: Lower And Change Pump in Irrigation Well; Mitigation Action #8: Add Storage Capacity for Irrigation Supply; Mitigation Action #9: Replace Irrigation Well.)**
- **Mitigation Measure M-HY-1: Develop and Implement a Storm Water Pollution Prevention Plan (“SWPPP”) or an Erosion and Sediment Control Plan**

This Commission recognizes that Mitigation Measure M-HY-1 is partially within the jurisdiction of SWRCB, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco. This Commission urges SWRCB, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco to assist in implementing this mitigation measure and finds that SWRCB, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco can and should participate in implementing this mitigation measure.

- Impacts from siting pipelines, storage tanks or replacement wells near a hazardous materials site. **(Mitigation Action #3: Replace Irrigation Water Source; Mitigation Action #8: Add Storage Capacity for Irrigation Supply; Mitigation Action #9: Replace Irrigation Well.)**
- **Mitigation Measure M-HZ-2a: Preconstruction Hazardous Materials Assessment**
- **Mitigation Measure M-HZ-2b: Health and Safety Plan**
- **Mitigation Measure M-HZ-2c: Hazardous Materials Management Plan**

This Commission recognizes that Mitigation Measure M-HZ-2c is partially within the jurisdiction of San Mateo County. This Commission urges San Mateo County to assist in implementing this mitigation measure and finds that San Mateo County can and should participate in implementing this mitigation measure.

#### **IV. Significant Impacts That Cannot Be Avoided or Reduced to a Less-Than-Significant Level**

Based on substantial evidence in the whole record of these proceedings, the SFPUC finds that, where feasible, changes or alterations have been required or incorporated into the GSR Project to reduce the significant environmental impacts as identified in the Final EIR for the Project. The SFPUC finds that the mitigation measures in the Final EIR and described below are appropriate, and that changes have been required in, or incorporated into, the GSR Project that, to use the language of Public Resources Code section 21002 and CEQA Guidelines section 15091, may substantially lessen, but do not avoid (i.e., reduce to less than significant levels), the potentially significant environmental effect associated with implementation of the Project, as described in the GSR Final EIR Chapter 5. The SFPUC adopts all of the mitigation measures proposed in the GSR Final EIR that are relevant to the Project and set forth in the MMRP, attached hereto as Attachment B.

The SFPUC further finds, however, for the GSR Project impacts listed below, that no mitigation is currently available to render the effects less than significant. The effects, therefore, remain significant and unavoidable. Based on the analysis contained within the Final EIR, other considerations in the record, and the standards of significant, the SFPUC finds that because some aspects of the GSR Project would cause potentially significant impacts for which feasible mitigation measures are not available to reduce the impact to a less-than-significant level, the impacts are *significant and unavoidable*.

The SFPUC further finds that the GSR Project is a component of the WSIP and, therefore, will contribute to the significant and unavoidable growth-inducing impact caused by the WSIP water supply decision as analyzed in the WSIP PEIR, Chapter 7, which is incorporated by reference in the GSR Project Final EIR in Chapter 6. For the WSIP growth-inducing impact listed below, the effect remains *significant and unavoidable*.

The SFPUC determines that the following significant impacts on the environment, as reflected in the GSR Final EIR, are unavoidable, but under Public Resources Code Section 21081(a) (3) and (b), and CEQA Guidelines Sections 15091(a) (3), 15092(b) (2) (B), and 15093, the SFPUC determines that the impacts are acceptable due to the overriding considerations described in Section VI below. These findings are supported by substantial evidence in the record of this proceeding.

##### **A. GSR Project Impacts**

The project-specific impacts associated with GSR Project construction are determined to be significant and unavoidable at one or more sites where GSR Project facilities will be constructed



despite the SFPUC's adoption of all feasible mitigation measures. No significant and unavoidable impacts will result from the GSR Project operations.

For each impact identified below, the impact statement for each impact identifies the sites where the impact will be less than significant with the implementation of the listed mitigation measures (denominated as "LSM") and the sites where the impact will be significant and unavoidable despite the implementation of listed mitigation measures (denominated as "SUM"). If a site is not listed in the impact statement it either will have no impact or a less than significant impact for that particular identified impact. The titles of the mitigation measures listed after each impact statement follow the approach used in the Final EIR and indicate all sites where the mitigation measures will be implemented as a result of any GSR Project impact and not just the sites that will cause the particular listed impact discussed immediately above.

### **Land Use**

- **Impact LU-1:** Project construction would have a substantial impact on the existing character of the vicinity and could substantially disrupt or displace existing land uses or land use activities. (DEIR pages 5.2-20 to 5.2-35.)(LSM Sites 5 [Consolidated Treatment], 7, 10, 11, 13, 15, and 17; SUM Sites 1, 3, 4, 5 [On-site Treatment], 9, 12, 14, 16, 18 and 19.)

Project construction would have a significant but mitigable impact on land uses at Sites 5 [Consolidated Treatment], 7, 10, 11, 13, 15, and 17 through the implementation of the Mitigation Measures M-LU-1, M-TR-1, M-NO-1, M-NO-3, M-AQ-2a, and M-AQ-3, which would provide for (1) cemetery visitor access and access to businesses and bus stops through a transportation control plan; (2) construction noise controls that limit noise levels to specified amounts at specified hours and locations; and (3) controls on construction-related air pollutants.

Nighttime noise from well drilling at Sites 1, 3, 4, 12, 16, and 19, which must proceed continuously for a seven day period, will have a ***significant and unavoidable*** impact on nearby residential uses despite implementation of mitigation measures. The land use impact at Site 5 will be ***significant and unavoidable*** even with the implementation of mitigation measures to control construction noise due to the proximity of residential users to this site and daytime construction over 14 months. The land use impact at Sites 9, 14, and 18 will be ***significant and unavoidable*** even with the implementation of mitigation measures to control construction noise due to the proximity of residential users to these sites, daytime construction over 16 months, and night time construction associated with well installation over a seven day period.

- **Mitigation Measure M-LU-1: Maintain Internal Cemetery Access (Site 7 [Consolidated Treatment at Site 6] and Site 14).**
- **Mitigation Measure M-TR-1: Traffic Control Plan (Sites 2, 4, 5, 6, 7, 10, 12, 13, 14, 15, 17 [Alternate], 18 [Alternate] and 19 [Alternate]).**
- **Mitigation Measure M-NO-1: Noise Control Plan (Sites 1, 3, 4, 5, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 [Alternate], 18 [Alternate], and 19 [Alternate]).**

- **Mitigation Measure M-NO-3: Expanded Noise Control Plan (Sites 1, 3, 4, 5, 9, 10, 11, 12, 13, 14, 15, 16, 17 [Alternate], 18 [Alternate], and 19 [Alternate]).**
- **Mitigation Measure M-AQ-2a: BAAQMD Basic Construction Measures (All Sites).**
- **Mitigation Measure M-AQ-3: Construction Health Risk Mitigation (Site 5 On-site Treatment).**

This Commission recognizes that Mitigation Measure M-TR-1 is partially within the jurisdiction of Caltrans, SamTrans, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco. This Commission urges Caltrans, SamTrans, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco to assist in implementing this mitigation measure and finds that Caltrans, SamTrans, San Mateo County, the Town of Colma, and the cities of Daly City, Millbrae, San Bruno, and South San Francisco can and should participate in implementing this mitigation measure.

- **Impact C-LU-1:** Construction and operation of the proposed Project could result in a cumulatively considerable contribution to cumulative impacts related to land use. (DEIR pages 5.2-39 to 5.2-40; 5.7-98 to 5.7-99.)(LSM Site 15; SUM Sites 9, 12, and 19.)

Impacts from the GSR project would make a considerable contribution to cumulative project construction impacts due to construction noise at Sites 9, 12, 15, and 19, which could alter the character or disrupt or displace land uses at these sites. Noise mitigation measures M-NO-1, M-NO-3, and M-NO-5 would reduce these impacts to less-than-significant level at Site 15, but due to nighttime construction, land use disruption at Sites 9, 12, and 19 would remain *significant and unavoidable*.

- **Mitigation Measure M-NO-1: Noise Control Plan (Sites 1, 3, 4, 5, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 [Alternate], 18 [Alternate], and 19 [Alternate]).**
- **Mitigation Measure M-NO-3: Expanded Noise Control Plan (Sites 1, 3, 4, 5, 9, 10, 11, 12, 13, 14, 15, 16, 17 [Alternate], 18 [Alternate], and 19 [Alternate]).**
- **Mitigation Measure M-NO-5: Operational Noise Control Measures (Sites 1, 5 [On-site Treatment], 9, 18 [Alternate] and Westlake Pump Station.**

#### **Aesthetics**

- **Impact AE-1:** Project construction would result in a significant and unavoidable impact on the visual character of the area surrounding Site 7, related to the removal of trees. (DEIR Section 5.3.3.4, Pages 5.3-56 to 5.3-76.)(LSM Sites 4, 12, 13, 14, 15, and 18; SUM Site 7.)

Project construction would have a significant but mitigable visual impact through the implementation of Mitigation Measures M-AE-1a, M-AE-1b, M-AE-1c, M-AE-1d, M-

AE-1e, and M-CR-1a, which would keep construction materials out of view, keep construction sites clean, and require protection and replacement of trees at Sites 4, 12, 13, 14, 15, and 18. Visual impacts at Site 7 would remain significant and unavoidable because site construction requires the removal of 41 eucalyptus trees in the SFPUC right-of-way that are part of a tree mass identified in the Town of Colma's General Plan. The SFPUC's Integrated Vegetation Management Policy prohibits eucalyptus trees in the right-of-way, thereby precluding the replanting of eucalyptus trees at the same location. Even with the implementation of the listed mitigation measures, the project would permanently change the visual quality of Site 7, resulting in a *significant and unavoidable* impact at this location.

- **Mitigation Measure M-AE-1a: Site Maintenance (Sites 4, 7, 12, 13, 14, 15, and 18 [Alternative])**
- **Mitigation Measure M-AE-1b: Tree Protection Measures (Sites 3, 4, 7, 10, 11, 12, 13, 14, 15, and 17 [Alternative])**
- **Mitigation Measures M-AE-1c: Develop and Implement a Tree Replanting Plan (Site 12)**
- **Mitigation Measure M-AE-1d: Construction Area Screening (Site 15)**
- **Mitigation Measure M-AE-1e: Tree Removal and Replacement (Site 7)**
- **Mitigation Measure M-CR-1a: Minimize Construction-related Impacts on Elements of the Historical Resource at Site 14**

This Commission recognizes that Mitigation Measure M-AE-1e is partially within the jurisdiction of the Town of Colma and Mitigation Measure M-CR-1a is partially within the jurisdiction of Veterans Affairs. This Commission urges the Town of Colma and the Veterans Affairs to assist in implementing these mitigation measures and finds that the Town of Colma and the Veterans Affairs can and should participate in implementing these mitigation measures.

## Noise

- **Impact NO-1:** Project construction would result in noise levels in excess of local standards. (DEIR pages 5.7-39 to 5.7-48.)(LSM Sites 3, 8, 10, 11, 13, 14, and 17; SUM Sites 1, 4, 9, 12, 16, 18, and 19.)

Project construction would conflict with daytime noise standards or night time noise restrictions or both in the San Mateo County, the Town of Colma; and the cities of Daly City; Millbrae, San Bruno and South San Francisco. Mitigation Measure M-NO-1 would reduce these impacts at Sites 3, 8, 10, 11, 13, 14, and 17 to a less-than-significant level. But, even with mitigation, construction associated with well drilling and pump testing would exceed local nighttime noise limits or restrictions at Sites 1, 4, 9, 12, 16, 18, and 19. This impact would remain *significant and unavoidable* at these sites.

- **Mitigation Measure M-NO-1: Noise Control Plan (Sites 1, 3, 4, 5, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 [Alternate], 18 [Alternate], and 19 [Alternate]).**

- **Impact NO-3:** Project construction would result in a substantial temporary increase in ambient noise levels. (DEIR pages 5.7-50 to 5.7-81.)(LSM Sites 5 [Consolidated Treatment], 10, 11, 13, 15, and 17; SUM Sites 1, 3, 4, 5 [On-site Treatment], 9, 12, 14, 16, 18 and 19.)

Project construction would result in a temporary increase in ambient noise levels that would exceed speech and sleep interference thresholds at nearby buildings. Mitigation Measures M-NO-1 and M-NO-3 would reduce these impacts to a less-than-significant level at Sites 5 [Consolidated Treatment], 10, 11, 13, 15, and 17. But, the daytime speech threshold or nighttime sleep interference threshold would be exceeded, even with the implementation of mitigation measures, at Sites 1, 3, 4, 5 [On-site Treatment], 9, 12, 14, 16, 18, and 19. This impact would remain *significant and unavoidable* at these sites.

- **Mitigation Measure M-NO-1: Noise Control Plan (Sites 1, 3, 4, 5, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 [Alternate], 18 [Alternate], and 19 [Alternate]).**
- **Mitigation Measure M-NO-3: Expanded Noise Control Plan (Sites 1, 3, 4, 5, 9, 10, 11, 12, 13, 14, 15, 16, 17 [Alternate], 18 [Alternate], and 19 [Alternate]).**
- **Impact C-NO-1:** Construction and operation of the proposed Project could result in a cumulatively considerable contribution to cumulative impacts related to noise. (DEIR pages 5.7-95 to 5.7-99.)(LSM Sites 1, 5 [On-site Treatment], 7 [On-site Treatment], 8, 9, 11, 15, 17, 18, and Westlake Pump Station; SUM Sites 12 and 19.)

Operation of the project could make a considerable contribution to cumulative impacts in excess of established standards and to ambient noise levels at Sites 1, 5 [On-site Treatment], 7 [On-site Treatment], 9, 12, 18 and the Westlake Pump Station but mitigation measures would reduce the Project's contribution to a less than significant level.

Construction of the Project could make a considerable contribution to cumulative noise levels in excess of established noise standard in the Town of Colma at Sites 8 and 17 and in South San Francisco at Site 11 but the listed mitigation measures would reduce the Project's contribution to a less-than-significant level.

The project could make a considerable contribution to increases in cumulative ambient noise levels at Sites 8, 15, and 17 but the listed mitigation measures would reduce the Project contribution to a less-than-significant level. However, at Sites 12 and 19, even with the implementation of mitigation measures, the Project would have a cumulative considerable contribution to increased ambient noise levels that would affect a church and preschool noise levels during the daytime and the Project impact would remain *significant and unavoidable* at Sites 12 and 19.

- **Mitigation Measure M-NO-1: Noise Control Plan (Sites 1, 3, 4, 5, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 [Alternate], 18 [Alternate], and 19 [Alternate]).**
- **Mitigation Measure M-NO-3: Expanded Noise Control Plan (Sites 1, 3, 4, 5, 9, 10, 11, 12, 13, 14, 15, 16, 17 [Alternate], 18 [Alternate], and 19 [Alternate]).**

- **Mitigation Measure M-NO-5: Operational Noise Control Measures (Sites 1, 5 [On-site Treatment], 9, 18 [Alternate] and Westlake Pump Station**

## **B. Impacts of GSR Mitigation Measures**

The Final EIR identified potentially significant secondary impacts that could result from construction activities associated with implementation of certain mitigation actions identified in Mitigation Measure M-HY-6. The Final EIR determined that mitigation measures identified to mitigate construction-related impacts of the Project would also mitigate construction-related impacts associated with implementation of these mitigation actions, as explained in Section III, with the exception of one impact related to construction noise, which is explained in this Section IV. In making these findings and adopting **Attachment B**, the **MMRP**, the Commission finds that application of Project mitigation to the secondary impact related to noise discussed below associated with mitigation actions under Mitigation Measure M-HY-6 will reduce but that this noise impact will remain *significant and unavoidable*. **Attachment B**, the **MMRP**, includes a **Table MMRP-2**, Mitigation Measures Applicable to Implementation of M-HY-6 Mitigation Actions. **Table MMRP-2** to the **MMRP** identifies which Project mitigation measures would apply to reduce the secondary impacts associated with construction activities undertaken to implement any of the identified mitigation actions in Mitigation Measure M-HY-6. This information is also summarized in Section III and below and discussed in the DEIR Section 5.16, Page 5.16-168 and in the C&R Section 9.5, Pages 9.5-63 to 9.5-72.

### **Noise and Vibration**

- Impacts from construction noise associated with well drilling in proximity to sensitive noise receptors. (**Mitigation Action #3: Replace Irrigation Water Source (LSM); Mitigation Action #8: Add Storage Capacity for Irrigation Supply (LSM); Mitigation Action #9: Replace Irrigation Well (SUM).**)
- **Mitigation Measure M-NO-2: Reduce Vibration Levels during Construction of Pipelines**

## **C. WSIP Water Supply Impacts**

The WSIP PEIR and the SFPUC's Resolution No. 08-0200 related to the WSIP water supply decision identified three significant and unavoidable impacts of the WSIP: **Impact 5.4.1-2-Stream Flow: Effects on flow along Alameda Creek below the Alameda Creek Division Dam; Impact 5.5.5-1-Fisheries: Effects on fishery resources in Crystal Springs reservoir (Upper and Lower); and Impact 7-1-Indirect growth inducing impacts in the SFPUC service area.** Mitigation measures proposed in the PEIR were adopted by the SFPUC for these impacts; however, the mitigation measures could not reduce all the impacts to a less than significant level, and these impacts were determined to be significant and unavoidable. The SFPUC adopted the mitigation measures proposed in the PEIR to reduce these impacts when it approved the WSIP in its Resolution No. 08-0200. The SFPUC also adopted a Mitigation Monitoring and Reporting Program as part of that approval. The findings regarding the three impacts and mitigation measures for these impacts set forth in Resolution No. 08-0200 are incorporated into these findings by this reference, as though fully set forth in these CEQA Findings.

Subsequent to the certification of the PEIR, the Planning Department has conducted more detailed, site-specific review of two of the significant and unavoidable water supply impacts identified in the PEIR, Impact 5.4.1-2 and Impact 5.5.5-1, as explained in the GSR Project EIR at Section 6.3.2 (Draft EIR, page 6-10). The Planning Department updated analyses based on more project-specific information has determined that these two impacts will not be significant and unavoidable. These CEQA Findings summarize these updated impact analyses as well as the PEIR analysis of Impact 7.1.

- **PEIR Impact 5.4.1-2-Stream Flow: Effects on flow along Alameda Creek below the Alameda Creek Division Dam**

The project level analysis in the Calaveras Dam Replacement project Final EIR modifies the PEIR determination regarding PEIR Impact 5.4.1-2 and concludes that the impact related to stream flow along Alameda Creek between the diversion dam and the confluence with Calaveras Creek) will be less than significant based on more detailed, site-specific modeling and data. Project-level conclusions supersede any contrary impact conclusions in the PEIR. The SFPUC adopted CEQA Findings with respect to the approval of the Calaveras Dam Improvement project in Resolution No. 11-0015. The CEQA Findings in Resolution No. 11-0015 related to the impacts on fishery resources due to inundation effects are incorporated into these findings by this reference, as though fully set forth in these CEQA Findings.

- **PEIR Impact 5.5.5.-1-Fisheries: Effects on fishery resources in Crystal Springs reservoir (Upper and Lower)**

The project-level fisheries analysis in the Lower Crystal Springs Dam Improvement project Final EIR modifies the PEIR impact determination regarding PEIR Impact 5.5.5-1 based on more detailed site-specific data and analysis and determined that impacts on fishery resources due to inundation effects would be less than significant. Project-level conclusions supersede any contrary impact conclusions in the PEIR. The SFPUC adopted CEQA Findings with respect to the approval of the Lower Crystal Springs Dam Improvement project in Resolution No. 10-0175. The CEQA Findings in Resolution No. 10-0175 related to the impacts on fishery resources due to inundation effects are incorporated into these findings by this reference, as though fully set forth in these CEQA Findings.

- **PEIR Impact 7-1-Indirect growth inducing impacts in the SFPUC service area**

The remaining significant and unavoidable water supply impact listed in Resolution No. 08-0200 is related to **WSIP Water Supply and System Operation Impact 7-1 Growth**: The WSIP would result in potentially significant and unavoidable indirect growth-inducement impacts in the SFPUC service area.

By providing water to support planned growth in the SFPUC service area, the WSIP will result in significant and unavoidable growth inducement effects that are primarily related to secondary effects such as air quality, traffic congestion and water quality. (PEIR Chapter 7). The WSIP identifies mitigation measures adopted by jurisdictions that have prepared general plans and related land use plans and major projects in the SFPUC service area to reduce the identified impacts of planned growth. A summary of projects



reviewed under CEQA and mitigation measures identified are included in Appendix E, Section E.6 of the PEIR.

Despite the adoption of mitigation measures, some of the identified impacts of planned growth cannot be reduced to a less-than-significant levels, and the WSIP, which has a longer planning horizon and somewhat different growth projections than some general plans, would also be expected to result in impacts not addressed by adopted mitigation measures as summarized in the PEIR Chapter 7. Jurisdictions have adopted overriding consideration in approving plans that support growth for which mitigation measures have not been identified and the SFPUC adopted overriding considerations in approving the WSIP through Resolution No. 08-0200. Thus, some of the growth that the WSIP would support would result in secondary impacts that would remain *significant and unavoidable*.

## **V. Evaluation of Project Alternatives**

This section describes the Project as well as alternatives and the reasons for approving the Project and for rejecting the alternatives. CEQA mandates that an EIR evaluate a reasonable range of alternatives to the project or the project location that generally reduce or avoid potentially significant impacts of the project. CEQA requires that every EIR also evaluate a “No Project” alternative. Alternatives provide a basis of comparison to the Project in terms of their significant impacts and their ability to meet project objectives. This comparative analysis is used to consider reasonable, potentially feasible options for minimizing environmental consequences of the Project.

### **A. Reasons for Approval of the Project**

The overall goals of the WSIP for the regional water system are to:

- Maintain high-quality water and a gravity-driven system.
- Reduce vulnerability to earthquakes – deliver basic service to the three regions in the service area within 24 hours and restore facilities to meet average-day demand within 30 days after a major earthquake.
- Increase delivery reliability – allow planned maintenance shutdown without customer service interruption and minimize risk of service interruption from unplanned outages.
- Meet customer water supply needs through 2018 – meet average annual water purchase requests during nondrought years and meet dry-year delivery needs while limiting rationing to a maximum 20 percent systemwide; diversify water supply options during nondrought and drought years and improve use of new water resources, including the use of groundwater, recycled water, conservation and transfers.
- Enhance sustainability.
- Achieve a cost-effective, fully operational system.

The Project would help meet WSIP goals by providing additional dry-year supply and providing additional pumping capacity in the South Westside Groundwater Basin in an emergency. Specific objectives of the GSR Project are:

- Conjunctively manage the South Westside Groundwater Basin through the coordinated use of SFPUC surface water and groundwater pumped by the Partner Agencies.
- Provide supplemental SFPUC surface water to the Partner Agencies in normal and wet years, with a corresponding reduction of groundwater pumping by these agencies, which then allows for in-lieu recharge of the South Westside Groundwater Basin.
- Increase the dry-year and emergency pumping capacity of the South Westside Groundwater Basin by an average annual 7.2 mgd.
- Provide a new dry-year groundwater supply for the SFPUC's customers and increase water supply reliability during the 8.5-year design drought cycle.

## **B. Alternatives Rejected and Reasons for Rejection**

The Commission rejects the alternatives set forth in the Final EIR and listed below because the Commission finds that there is substantial evidence, including evidence of economic, legal, social, technological, and other considerations described in this section in addition to those described in Section VI below under CEQA Guidelines 15091(a)(3), that make such Alternatives infeasible. In making these infeasibility determinations, the Commission is aware that CEQA defines “feasibility” to mean “capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, legal, and technological factors.” The Commission is also aware that under CEQA case law the concept of “feasibility” encompasses (i) the question of whether a particular alternative promotes the underlying goals and objectives of a project, and (ii) the question of whether an alternative is “desirable” from a policy standpoint to the extent that desirability is based on a reasonable balancing of the relevant economic, environmental, social, legal, and technological factors.

### ***Alternative 1: No Project***

Under the No Project Alternative, the GSR Project would not be constructed or operated. The SFPUC would not conjunctively manage the South Westside Groundwater Basin with the Partner Agencies and the basin would continue to be operated as it is now. The 16 groundwater wells and associated well facilities (pump stations and treatment facilities) would not be constructed or operated, the Westlake Pump Station would not be upgraded, and a new dry-year water supply would not be developed. The six test wells installed at Site 2 (Park Plaza Meter), Site 5 (Right-of-way at Serra Bowl), Site 6 (Right-of-way at Colma BART), Site 8 (Right-of-way at Serramonte Boulevard), Site 10 (Right-of-way at Hickey Boulevard) and Site 13 (South San Francisco Linear Park) would be abandoned in accordance with regulatory standards or converted to monitoring wells.

The No Project Alternative would not meet any of the project objectives, which are to conjunctively manage the South Westside Groundwater Basin through the coordinated use of SFPUC surface water and groundwater pumped by the Partner Agencies; provide supplemental SFPUC surface water to the Partner Agencies in normal and wet years; increase the dry-year and emergency pumping capacity of the South Westside Groundwater Basin by an average annual 7.2 mgd; and provide a new dry-year groundwater supply for the SFPUC's customers and increased water supply reliability during the 8.5-year design drought cycle.

Under the No Project Alternative, regional water system customers would experience water shortages and need to implement water rationing more frequently and water rationing would be more severe, exceeding the 20 percent systemwide rationing expected under full implementation of the WSIP projects. Wholesale customers would likely pursue other dry year supply projects, but numerous hurdles would need to be overcome:

- Water demand among customers is highest when supplies are most constrained and therefore more difficult to secure.
- Major new water supply projects can take 20-25 years to complete, so pursuit of other projects would likely not avoid increased water shortages and water rationing.
- The SFPUC wholesale customers already have planned for and adopted increased water conservation and recycling initiatives, making greater efforts in these regards more difficult.

The No Project Alternative would fail to meet the WSIP goals and objectives that rely directly on the contribution of the Project to fulfill systemwide level of service objectives. If the Project is not constructed, the SFPUC's water supply portfolio would not include 7.2 mgd of dry-year supply from the South Westside Groundwater Basin or provide for an alternative local supply in the event of emergency conditions. As a result, the No Project Alternative would fail to meet dry-year delivery needs identified in the WSIP while limiting rationing to a maximum 20 percent systemwide. It would also result in a less diversified water supply during dry-years than would be achieved with the GSR Project.

The No Project Alternative would avoid all of the construction impacts identified for the GSR Project, including the significant and unavoidable impacts associated with noise, land use, and aesthetics. It would also avoid all construction and operation-related impacts that can be reduced to a less-than-significant level with the implementation of mitigation measures, including in the areas of land use, aesthetics, cultural resources, transportation and circulation, noise and vibration, air quality, recreation, utilities and service systems, biological resources, geology and soils, hydrology and water quality, and hazards and hazardous materials.

In the absence of the dry-year water supply that the Project would provide, under the No Project alternative the SFPUC or its wholesale customers or both would likely take action to secure supplemental dry-year supply, which could have similar or additional secondary environmental effects as the Project. Supplemental dry-year supply options could include additional Tuolumne

River diversions and water transfers from the Turlock Irrigation District or the Modesto Irrigation District, increased groundwater use, additional water conservation and water recycling and desalination projects. The WSIP PEIR evaluated the environmental effects of such projects as part of the WSIP alternatives. Secondary effects could include: construction impacts and operational impacts such as groundwater overdraft, subsidence, seawater intrusion, and water quality effects associated with development of groundwater sources; impacts on fisheries and biological resources, including sensitive species, associated with additional Tuolumne River diversions; and construction impacts and operational impacts on land use, aesthetics, hydrology and water quality, air quality, hazards, and energy associated with the development desalinated water supplies.

The Commission rejects the No Project Alternative as infeasible because it would not meet any of the project objectives, and it would jeopardize the SFPUC's ability to meet the adopted WSIP goals and objectives as set forth in SFPUC Resolution No. 08-0200. Further, its secondary effects would likely result in similar impacts to those of the Project. Thus, the No Project Alternatives may not result in fewer environmental impacts than the Project, given that all Project impacts can be mitigated to less than significant levels with the exception of temporary construction-related impacts on land use, temporary construction noise impacts, and aesthetic impacts due to removal of trees at one location.

#### ***Alternative 2A: Reduce Lake Merced Impacts and Maintain Project Yield***

Under Alternative 2A, the same facilities would be constructed as for the Project, except the SFPUC would construct only 14 wells and well facilities instead of 16 wells by not constructing a well or well facility at Site 1 in Daly City or Site 4 in unincorporated Broadmoor. Without wells at Sites 1 and 4, pumping would be reduced by approximately 1.0 mgd. To maintain the overall yield of 7.2 mgd, pumping would be redistributed to 11 wells at Sites 5 through 15. Pumping at each of Sites 5 through 15 would increase by approximately 20 percent compared to the proposed Project and production rates at Sites 5 through 15 could support this increased pumping. Pumping at Sites 2 and 3 would not increase under this alternative to minimize impacts on Lake Merced as compared to the proposed Project. Pumping at Site 16 also would not increase because groundwater availability is restricted at this location. Under this alternative, pumping near Lake Merced would decrease by approximately 54 percent when compared to the Project.

Alternative 2A would meet all of the Project Objectives, including increasing the dry-year and emergency pumping capacity of the South Westside Groundwater Basin by an average annual 7.2 mgd in the event of an 8.5-year design drought. It would have the same construction-related impacts as the proposed Project except that all impacts associated with construction at Sites 1 and 4 would be avoided. As a result, the significant and unavoidable construction-related noise impacts associated with exceeding local noise standards and increasing ambient noise levels, and the disruption of residential land uses from nighttime noise at these two sites would not occur.

The main difference between this Alternative 2A and the Project in terms of environmental effects is that by reducing pumping by 54 percent in the Lake Merced area, this alternative would decrease the decline in Lake Merced levels by a similar 54 percent. With the Project, lake levels

after the end of the design drought are expected to drop to four feet lower than under modeled existing conditions. With Alternative 2A, lake levels would be expected to drop two feet lower than under modeled existing conditions. The Project identifies mitigation in the form of lake monitoring, provision of supplemental water or altering of pumping to mitigate Project impacts. Similar mitigation still would be needed with Alternative 2A, but this alternative would not require the same degree of mitigation because the effects of Alternative 2A on Lake Merced levels would be about half as severe as with the Project. Although the Project would fully mitigate impacts to Lake Merced, it would require greater mitigation in the form of additional supplemental water, redistributed pumping or discontinued pumping as compared to Alternative 2A. Eliminating other wells would not further reduce impacts on Lake Merced water levels because other wells are too far from the lake to have a substantial influence on lake levels.

Other operational impacts with Alternative 2A would be nearly the same as for the proposed Project. Although pumping near Lake Merced would decline, this decline in pumping would be offset by increased pumping at Sites 5 through 15. As a result, the less-than-significant impact on irrigation wells at the Olympic Club and San Francisco Golf Club would be further reduced; Lake Merced Golf Club would continue to experience significant but mitigable impacts to its irrigation wells, and the nine cemeteries and California Golf Club in the Colma area would experience a 20 percent increase in well interference impacts. As for the Project, these well interference impacts would be significant but mitigable, but greater mitigation actions may be needed to fully mitigate impacts as compared to the Project. Other operational impacts associated with the Project, including subsidence potential, seawater intrusion, and effects on water quality and groundwater depletion, would be similar for Alternative 2A and the Project.

The SFPUC rejects Alternative 2A as infeasible for several reasons. First, it does not provide an appreciable environmental benefit as compared to the Project. While it eliminates all of the construction-related impacts associated with Sites 1 and 4, including the significant and unavoidable construction-related noise and land use impacts, these construction-related impacts are temporary, occurring over approximately seven nights of well drilling, and would not result in any permanent environmental effect. Alternative 2A reduces the need for mitigation associated with maintaining Lake Merced levels, but these impacts are mitigable under mitigation measures identified in the EIR and which the SFPUC proposes to adopt. By moving pumping away from Lake Merced further to the south, it has a greater impact on irrigation wells and cemeteries in the Colma area. These increased well interference impacts also are mitigable but Alternative 2A would trigger the need for greater mitigation of well interference impacts as compared to the Project. The overall effect of Alternative 2A is to decrease Lake Merced level impacts at the expense of increasing well interference impacts in the Colma area, and eliminating temporary construction noise and associated land use disruption impacts at two sites.

Further, while Alternative 2A would decrease some project costs due to elimination of Sites 1 and 4, there would be an associated increase in other costs at Sites 5 through 15 for larger pumps, piping and treatment equipment to accommodate the increased pumping at these sites. Well interference mitigation costs would be increased because Alternative 2A would trigger the need for mitigation earlier and more often as compared to the Project due to the increased pumping at Sites 5 through 15. Finally, reducing the number of wells from 16 to 14 would reduce operational

flexibility in the event of planned or unplanned maintenance needs. With two fewer wells operating, the ability to reallocate pumping or rotate pumping without reducing pumping quantity would be more difficult. In sum, Alternative 2A would reduce operational flexibility in the event of planned or unplanned Project maintenance need, increase well interference mitigation costs, and fail to provide an appreciable environmental benefit as compared to the Project.

### ***Alternative 2B***

Under Alternative 2B, the same facilities would be constructed as for the Project, except the SFPUC would construct only 14 wells and well facilities instead of 16 wells by not constructing a well or well facility at Site 1 in Daly City or Site 4 in unincorporated Broadmoor. Without wells at Sites 1 and 4, pumping would be reduced by approximately 1.0 mgd. Unlike Alternative 2A, pumping lost from not constructing wells at Sites 1 and 4 would not be redistributed.

Alternative 2B would meet most, but not all, of the Project objectives. It would not meet the objective of increasing the SFPUC's dry-year and emergency pumping capacity by 7.2 mgd during an 8.5-year drought. Instead, it would provide 6.2 mgd during an 8.5-year drought. It would meet the other project objectives of providing for the conjunctive use of the South Westside Groundwater Basin and supplemental SFPUC surface water to Partner Agencies during normal and wet years to allow for in-lieu recharge of the Basin, but at a level reduced by 1 mgd as compared to the Project. The reduction in yield with Alternative 2B would limit the regional water system's ability to meet the WSIP goal of seismic and delivery reliability, adopted as part of the approval of the WSIP under SFPUC Resolution 08-0200. The SFPUC per the adopted resolution will reevaluate 2030 demand projections, regional water system purchase requests, and water supply options by 2018. With the reduction in yield from this alternative, the SFPUC may need to revise the WSIP goals and objectives or develop additional water supply projects depending on demand projections. Alternatively, the SFPUC's wholesale customers could decide to pursue additional projects such as water transfer to increase dry-year and emergency pumping capacity to achieve a yield of 7.2 mgd as called for by the adopted WSIP.

Alternative 2B would have the same construction-related effects as Alternative 2A – it would eliminate all less-than-significant, significant and mitigable, and significant and unavoidable impacts of construction associated with Sites 1 and 4. It would also have the same impacts on Lake Merced as Alternative 2A – it would reduce lake level decline by 54 percent as compared to the Project. Unlike Alternative 2A, it would not redistribute the pumping lost by not installing wells at Sites 1 and 4. Consequently, the well interference impacts of Alternative 2B would be less than the Project at the Lake Merced Golf Club, Olympic Club and San Francisco Golf Club, but would not change the significance conclusions. Well interference impacts at the Olympic Club and the San Francisco Golf Club would be less-than-significant under both the Project and Alternative 2B; likewise, the well interference impact at Lake Merced Golf Club would be significant but mitigable under both the Project and Alternative 2B. Other operational impacts - land subsidence and sea water intrusion – would be reduced as compared to the Project, but as they were less-than-significant under the Project, the significance determination would remain unchanged. Likewise, Alternative 2B would decrease, but result in the same significance



determination for groundwater depletion impacts as the Project, with such impacts remaining significant but mitigable. Impacts on water quality would remain the same, less-than-significant, with Alternative 2B as for the Project.

The main difference between Alternative 2B and the Project in terms of environmental effects is that by reducing pumping by 54 percent in the Lake Merced area it would decrease the decline in Lake Merced levels by a similar 54 percent. With the Project, lake levels after the end of the design drought are expected to drop to four feet lower than under modeled existing conditions. With Alternative 2B, lake levels would be expected to drop two feet lower than under modeled existing conditions. The Project identifies mitigation in the form of lake monitoring, provision of supplemental water or altering of pumping to mitigate Project impacts. Similar mitigation still would be needed with Alternative 2B, but this alternative would not require the same degree of mitigation because the effects of Alternative 2B on Lake Merced levels would be about half as severe as with the Project. The Project would fully mitigate impacts to Lake Merced, but it would require greater mitigation - additional supplemental water, redistributed pumping or discontinued pumping - as compared to Alternative 2B. Eliminating other wells would not further reduce impacts on Lake Merced water levels because other wells are too far from the lake to have a substantial influence on lake levels.

**Environmentally Superior Alternative.** The CEQA Guidelines require the identification of an environmentally superior alternative to the proposed project and if it is determined to be the No Project Alternative, then the EIR must identify an environmentally superior alternative among the other Project alternatives. (CEQA Guidelines Section 15126.6(e).) The EIR identified Alternative 2B as the environmentally superior alternative. Some impacts associated with Alternative 2B while initially less intense than those of the Project (well interference, groundwater depletion), with mitigation, the resulting impact level would be the same under Alternative 2B and the Project (less-than-significant with mitigation). But, Alternative 2B would eliminate construction impacts at two sites, Sites 1 and 4, and reduce impacts on Lake Merced level declines by 54 percent. Although the Project would fully mitigate impacts to Lake Merced, it would require greater mitigation in the form of additional supplemental water, redistributed pumping or discontinued pumping as compared to Alternative 2B. Greater costs would be associated with this mitigation, although these costs may be offset by savings associated with not constructing facilities at Sites 1 and 4.

The SFPUC rejects Alternative 2B as infeasible. It would not meet the objective of increasing the SFPUC's dry-year and emergency pumping capacity by 7.2 mgd during an 8.5-year drought. Instead, it would provide 6.2 mgd during an 8.5-year drought. It would meet the other project objectives of providing for the conjunctive use of the South Westside Groundwater Basin and supplemental SFPUC surface water to Partner Agencies during normal and wet years to allow for in-lieu recharge of the Basin, but at a level reduced by 1 mgd as compared to the Project. The reduction in yield with Alternative 2B would limit the regional water system's ability to meet the WSIP goal of seismic and delivery reliability, adopted as part of the approval of the WSIP under SFPUC Resolution 08-0200. With the reduction in yield from this alternative, the SFPUC may

need to revise the WSIP goals and objectives or develop additional water supply projects depending on demand projections.

While Alternative 2B eliminates construction impacts at Sites 1 and 4, including the significant and unavoidable construction-related noise and land use impacts, these construction-related impacts are temporary, occurring over approximately seven nights of well drilling, and would not result in any permanent environmental effect. Alternative 2B reduces the need for mitigation associated with maintaining Lake Merced levels, but these impacts are mitigable under mitigation measures identified in the EIR and which the SFPUC proposes to adopt.

### *Alternative 3A*

Alternative 3A was selected for analysis because it would reduce the significant well interference impacts of the Project during dry years at existing irrigation wells that are located at the Colma-area cemeteries. Under Alternative 3A, the same facilities would be constructed as for the Project, except the SFPUC would construct only 14 wells and well facilities instead of 16 wells by not constructing a well or well facility at Sites 7 and 8 in Colma. Without wells at Sites 7 and 8, pumping would be reduced by approximately 1.2 mgd, decreasing pumping in the Colma area by approximately 32 percent. To maintain the overall yield of 7.2 mgd, pumping would be redistributed to nine wells at Sites 1 through 4 and Sites 11 through 15. Pumping at each of these sites would increase by approximately 31 percent as compared to the proposed Project; production rates at Sites 5 through 15 could support this increased pumping. Pumping at Sites 5, 6, 9, and 10 would remain the same, as they are in the Colma area; pumping at Site 16 also would not increase because groundwater availability is restricted at this location.

Alternative 3A would fully meet the Project Objectives, including increasing the dry-year and emergency pumping capacity of the South Westside Groundwater Basin by an average annual 7.2 mgd in the event of a 8.5 year design drought. It would have the same construction-related impacts as the proposed Project except that all impacts associated with construction at Sites 7 and 8 would be avoided. As a result, all impacts that are less-than-significant and less-than-significant with mitigation at either site would be avoided as would the significant and unavoidable construction-related aesthetic impact at Site 7. This latter impact is the result of the need to remove trees associated with a designated tree mass in the Town of Colma General Plan and the fact that despite the adoption of mitigation to replace trees, these trees include eucalyptus trees on SFPUC's right-of-way, the presence of which conflicts with the SFPUC's vegetation management policy for its right-of-way. While SFPUC will work with the Town of Colma to find replacement trees off-site, Site 7 will be aesthetically altered.

The intensity of well interference impacts on existing irrigation wells in the Colma area before mitigation would be reduced as a result of a 32 percent reduction in pumping near these wells. However, well interference impacts with the implementation of mitigation would be less-than-significant for both Alternative 3A and the proposed Project. Potential impacts on Lake Merced water levels would be slightly greater for Alternative 3A than for the Project prior to mitigation, but with mitigation, both would result in less-than-significant impacts on the water quality of Lake Merced. But, under Alternative 3A, more supplemental water, redistribution of pumping, or

discontinued pumping would be required to mitigate such impacts as compared to the proposed Project. Potential impacts on groundwater quality and groundwater depletion would be the same for the proposed Project and Alternative 3A. The potential for subsidence impacts and for seawater intrusion would be slightly greater for Alternative 3A when compared to the proposed Project but would be less-than-significant as for the proposed Project.

The SFPUC rejects Alternative 3A as infeasible. First, it does not provide an appreciable environmental benefit as compared to the Project. It results in similar environmental impacts as with the Project after the application of mitigation measures. The main differences between Alternative 3A and the Project is that Alternative 3A eliminates the significant and unavoidable aesthetic impact associated with removal of trees in the SFPUC right-of-way at Site 7, increases impacts associated with Lake Merced levels and decreases the impacts associated with well interference in the Colma area. As a result, Alternative 3A increases the amount of mitigation associated with maintaining Lake Merced levels, including the need to secure supplemental water, reduce pumping or redistribute pumping to reduce the effect of the Project on Lake Merced levels. But, the resulting impacts to Lake Merced levels after implementation of mitigation measures identified in the EIR, which the SFPUC proposes to adopt, would be the same for Alternative 3A and the Project. By moving pumping away from the Colma area, Alternative 3A reduces well interference impacts, but these impacts also are mitigable, so the main effect is to increase the amount of required mitigation associated with maintaining Lake Merced levels. After mitigation, Alternative 3A and the Project result in the same mitigated impact associated with well interference.

Further, while Alternative 3A would decrease some project costs due to elimination of Sites 7 and 8, it would increase other project costs associated with Sites 1 through 4 and Sites 11 through 15 due to the need for larger pumps, piping and treatment equipment to accommodate the increased pumping at these sites. Also, Lake Merced mitigation costs would be increased because mitigation would be triggered earlier and more often due to the increased pumping at Sites 5 through 15. Finally, by reducing the number of wells from 16 to 14, Alternative 3A would reduce operational flexibility as compared to the Project in the event of planned or unplanned maintenance. With two fewer wells operating, the ability to reallocate pumping or rotate pumping without reducing pumping quantity would be more difficult. In sum, Alternative 3A would reduce operational flexibility in the event of planned or unplanned Project maintenance need, increase mitigation costs associated with maintaining Lake Merced levels, and not provide an appreciable environmental benefit as compared to the Project.

### ***Alternative 3B***

Alternative 3B was selected for analysis because it would reduce the significant well interference impacts of the Project during dry years at existing irrigation wells that are located at the Colma-area cemeteries. Under Alternative 3B, the same facilities would be constructed as for the Project, except the SFPUC would construct only 14 wells and well facilities instead of 16 wells by not constructing a well or well facility at Sites 7 and 8 in Colma. Without wells at Sites 7 and

8, pumping would be reduced by approximately 1.2 mgd, decreasing pumping in the Colma area by approximately 32 percent.

Alternative 3B would meet most but not all, of the Project goals and objectives. Alternative 3B would not fully meet the Project goal to provide 7.2 mgd of water for new dry-year water supply for the SFPUC and Partner Agencies because Alternative 3B would reduce the number of well and reduce the dry-year and emergency pumping capacity to 6.0 mgd. This alternative would partially support the WSIP goals and objectives to provide dry-year and emergency water pumping capacity. However, additional measures may be necessary to fully provide the dry-year and emergency water pumping volume required in order to meet the WSIP goal of limiting rationing to a systemwide maximum of 20 percent during an 8.5-year drought.

It would have the same construction-related impacts as the proposed Project except that all impacts associated with construction at Sites 7 and 8 would be avoided. As a result, all impacts that are less-than-significant and less-than-significant with mitigation at either site would be avoided as would the significant and unavoidable construction-related aesthetic impact as Site 7. This latter impact is the result of the need to remove trees associated with a designated tree mass in the Town of Colma General Plan and the fact that despite the adoption of mitigation to replace trees, these trees include eucalyptus trees on SFPUC's right-of-way, the presence of which conflicts with the SFPUC's vegetation management policy for its right-of-way. While SFPUC will work with the Town of Colma to find replacement trees off-site, Site 7 will be aesthetically altered.

This alternative would decrease pumping near the Colma area by approximately 32 percent. Operational impacts would be similar to those expected for the proposed Project. The expected groundwater levels would still result in the potential for well interference impacts as would the proposed Project and these impacts, in most cases, are similar to those that would occur with the proposed Project. With mitigation, the well interference impacts would be reduced to less than significant levels under both the Project and Alternative 3B. Alternative 3B would reduce the potential for subsidence and seawater intrusion; however, both the proposed Project and Alternative 3B would result in less than significant subsidence and seawater intrusion impacts. Potential impacts on groundwater quality would be the same for the proposed Project and the alternative. Potential impacts related to groundwater depletion would be similar for both the Project and this alternative.

The SFPUC rejects Alternative 3B as infeasible. Alternative 3B does not fully meet project objectives. It would not meet the objective of increasing the SFPUC's dry-year and emergency pumping capacity by 7.2 mgd during an 8.5-year drought. Instead, it would provide 6.0 mgd during an 8.5-year drought. It would meet the other project objectives of providing for the conjunctive use of the South Westside Groundwater Basin and supplemental SFPUC surface water to Partner Agencies during normal and wet years to allow for in-lieu recharge of the Basin, but at a level reduced by 1.2 mgd as compared to the Project. The reduction in yield with Alternative 3B would limit the regional water system's ability to meet the WSIP goal of seismic and delivery reliability, adopted as part of the approval of the WSIP under SFPUC Resolution 08-

0200. With the reduction in yield from this alternative, the SFPUC may need to revise the WSIP goals and objectives or develop additional water supply projects depending on demand projections.

Further, it does not provide an appreciable environmental benefit as compared to the Project. It results in similar environmental impacts as with the Project after the application of mitigation measures. The main differences between Alternative 3B and the Project is that Alternative 3B eliminates the significant and unavoidable aesthetic impact associated with removal of trees in the SFPUC right-of-way at Site 7, increases impacts associated with Lake Merced levels and decreases the impacts associated with well interference in the Colma area. As a result, Alternative 3B increases the amount of mitigation associated with maintaining Lake Merced levels, including the need to secure supplemental water, reduce pumping or redistribute pumping to reduce the effect of the Project on Lake Merced levels. But, the resulting impacts to Lake Merced levels after implementation of mitigation measures identified in the EIR, which the SFPUC proposes to adopt, would be the same for Alternative 3B and the Project. By moving pumping away from the Colma area, Alternative 3B reduces well interference impacts, but these impacts also are mitigable, so the main effect is to increase the amount of required mitigation associated with maintaining Lake Merced levels. After mitigation, Alternative 3B and the Project result in the same mitigated impact associated with well interference.

In sum, Alternative 3B does not fully meet Project or WSIP goals and objectives and does not provide an appreciable environmental benefit to the Project. With the reduction in yield from this alternative, the SFPUC may need to revise the WSIP goals and objectives or develop additional water supply projects depending on demand projections.

## **VI. Statement of Overriding Considerations**

Pursuant to CEQA Section 21081 and CEQA Guidelines Section 15093, the Commission hereby finds, after consideration of the Final EIR and the evidence in the record, that each of the specific overriding economic, legal, social, technological and other benefits of the Project as set forth below, independently and collectively outweighs the significant and unavoidable impacts and is an overriding consideration warranting approval of the project. Any one of the reasons for approval cited below is sufficient to justify approval of the project. Thus, even if a court were to conclude that not every reason is supported by substantial evidence, the Commission will stand by its determination that each individual reason is sufficient. The substantial evidence supporting the various benefits can be found in the preceding findings, which are incorporated by reference into this section, and in the documents found in the Record of Proceedings, as defined in Section I.

On the basis of the above findings and the substantial evidence in the whole record of this proceeding, the Commission specifically finds that there are significant benefits of the project in spite of the unavoidable significant impacts, and therefore makes this Statement of Overriding Considerations. The Commission further finds that, as part of the process of obtaining Project approval, all significant effects on the environment from implementation of the project have been



eliminated or substantially lessened where feasible. All mitigation measures proposed in the Final EIR for the project are adopted as part of this approval action. Furthermore, the Commission has determined that any remaining significant effects on the environment found to be unavoidable are acceptable due to the following specific overriding economic, technical, legal, social, and other considerations.

- The Project will further a number of the WSIP goals and objectives. As part of the approval of WSIP by Resolution 08-2000, the SFPUC adopted a Statement of Overriding Considerations as to why the benefits of the WSIP outweighed the significant and unavoidable impacts associated with the WSIP. The WSIP Statement of Overriding Considerations is relevant to the significant and unavoidable impacts of the GSR Project as it will further WSIP goals and objectives, as well as the GSR Project's contribution to the WSIP's significant and unavoidable indirect effects related to growth. The findings regarding the Statement of Overriding Considerations set forth in Resolution No. 08-2000 are incorporated into these findings by this reference, as though fully set forth in these CEQA Findings.
- The GSR Project will provide a substantial amount of the dry-year supply that the SFPUC calculates it will need under a long-term drought scenario. The Project will provide an average annual 7.2 mgd of new dry-year groundwater supply for the SFPUC's customers. The SFPUC's WSIP, adopted by the SFPUC in 2008, identifies a goal of limiting rationing in a drought to a maximum of 20 percent for the 2.46 million persons in San Francisco, San Mateo, Santa Clara, Alameda and Tuolumne counties served by the SFPUC's regional water system. The WSIP identified a reasonable worse case drought scenario as one that would last 8.5 years. The WSIP identified two projects that would assist in limiting rationing to 20 percent during a drought - the GSR Project, which would provide 7.2 mgd of groundwater, and dry-year water transfers of about 2 mgd from the Modesto or Turlock Irrigation Districts. The GSR Project is critical to the ability of the SFPUC to implement its WSIP dry-year water supply strategy.
- The conjunctive management of the South Westside Groundwater Basin, as proposed with the Project, will make more dry-year water available to the SFPUC Regional System without the environmental impacts associated with building a new storage facility and without impacting other water supplies. The conjunctive management of the South Westside Groundwater Basin provides for groundwater to accumulate in the basin during normal and wet years when the SFPUC can provide surface water to Partner Agencies, and for SFPUC and Partner Agencies to extract the accumulated groundwater during dry years. The Project achieves a 7.2 mgd increase in water supply during an 8.5-year design drought while having no impact on meeting Partner Agencies' water needs during normal and wet years. Because storage space is already available in the South Westside Groundwater Basin, the project is able to make use of the groundwater storage space without the need to construct an entirely new water storage system and incur the environmental impacts associated with such construction and operation. With the exception of an aesthetic impact at one site related to tree removal, and noise and land



use impacts on residences associated with temporary construction-related noise, the Project will be able to mitigate the direct environmental impacts associated with its construction and operation, including any potential impact to water needs of overlying irrigators.

- The SFPUC WSIP identifies the goal of reducing vulnerability to earthquakes. It establishes an objective of delivering basic service to three regions in the SFPUC service area – East/South Bay, Peninsula, and San Francisco within 24 hours after a major earthquake. The performance objective is to deliver 104 mgd to the East/South Bay, 44 mgd to the Peninsula, and 81 mgd to San Francisco. The GSR Project will make up to 7.2 mgd of local groundwater supply available for delivery in the event of an emergency such as an earthquake.
- The WSIP aims to substantially improve use of new water supply and drought management, including use of groundwater, recycled water, conservation, and transfers. The GSR Project is important to meeting the WSIP goal of providing improved use of new water supply, because it will provide up to 7.2 mgd of local groundwater during drought and emergency periods.
- The WSIP projects are designed to meet applicable federal and state water quality requirements. This Project will further this objective as the EIR for the Project determined that the Project would have no significant impact on water quality and would not degrade drinking water.

Having considered these benefits, including the benefits discussed in Section I above, the Commission finds that the benefits of the Project and the Project's furtherance of the WSIP goals and objectives outweigh the unavoidable adverse environmental effects, and that the adverse environmental effects are therefore acceptable.



# SAN FRANCISCO PLANNING DEPARTMENT

---

## Planning Commission Motion No. M-19209

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

Reception:  
**415.558.6378**

Fax:  
**415.558.6409**

Planning  
Information:  
**415.558.6377**

*Hearing Date:* August 7, 2014  
*Case No.:* 2008.1396E  
*Project:* Regional Groundwater Storage and Recovery Project  
*Project Location:* Various Locations in San Mateo County  
*Project Sponsor:* San Francisco Public Utilities Commission  
525 Golden Gate Avenue  
San Francisco, CA 94102  
*Staff Contact:* Timothy Johnston – (415) 575-9035  
[Timothy.Johnston@sfgov.org](mailto:Timothy.Johnston@sfgov.org)

### ADOPTING FINDINGS RELATED TO THE CERTIFICATION OF A FINAL ENVIRONMENTAL IMPACT REPORT FOR THE PROPOSED REGIONAL GROUNDWATER STORAGE AND RECOVERY PROJECT.

MOVED, that the San Francisco Planning Commission (hereinafter "Commission") hereby CERTIFIES the Final Environmental Impact Report identified as Case No. 2008.1396E, Regional Groundwater Storage and Recovery Project (hereinafter, "Project"), located San Mateo County, based upon the following findings:

1. The City and County of San Francisco, acting through the Planning Department ("Department") fulfilled all procedural requirements of the California Environmental Quality Act (Cal. Pub. Res. Code Section 21000 *et seq.*, hereinafter "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 (hereinafter "Chapter 31").
  - A. The Department determined that an Environmental Impact Report ("EIR") was required for the Project and provided public notice of that determination by publication in a newspaper of general circulation, and in accordance with CEQA Guidelines Section 15082, prepared and circulated a Notice of Preparation ("NOP") to local, State, and federal agencies and to other interested parties on June 24, 2009. In accordance with CEQA Guidelines Section 15083, the Department conducted a scoping meeting on July 9, 2009, in the Project vicinity. The purpose of the meeting was to present the proposed Project to the public and receive public input regarding the proposed scope of the EIR analysis. The Department accepted public comments between June 24, through July 28, 2009. A scoping report was prepared to summarize the public scoping process and the comments received in response to the NOP, and the report is included in Appendix B of the Draft EIR.

- B. On April 10, 2013, the Department published the Draft Environmental Impact Report ("DEIR") and provided public notice in a newspaper of general circulation of the availability of the DEIR for public review and comment for a 45-day period (the public review period was extended for two weeks, concluding on June 11, 2013, resulting in a 62-day public review period), and of the date and time of the Planning Commission public hearing on the DEIR; this notice was mailed to the Department's list of persons requesting such notice and other interested parties.
  - C. Notices of availability of the DEIR and of the date and time of the public hearing were posted near the Project site by Department staff on April 10, 2013. The Notice of Availability was also made available at the main public library in San Francisco and at public libraries in San Mateo County. Additional notices of availability were distributed and published on May 29, 2013, to announce the extended public review period.
  - D. On April 10, 2013, copies of the DEIR were mailed or otherwise delivered to a list of persons requesting it, to those noted on the distribution list in the DEIR, to adjacent property owners, and to government agencies, the latter both directly and through the State Clearinghouse. The DEIR was posted on the Department's website.
  - E. A Notice of Completion was filed with the State Secretary of Resources via the State Clearinghouse on April 10, 2013.
- 2. The Planning Commission held a duly-advertised public hearing on the DEIR to accept written or oral comments on May 16, 2013. The Planning Department also held a local public hearing in the project vicinity in San Mateo County on May 14, 2013. The public hearing transcripts are in the Project record. The extended period for acceptance of written comments ended on June 11, 2013.
  - 3. The Department prepared responses to comments on environmental issues received at the public hearing and in writing during the extended 62-day public review period for the DEIR, prepared revisions to the text of the DEIR in response to comments received or based on additional information that became available during the public review period. The Department provided additional, updated information and clarification on issues raised by commenters, as well as SFPUC and the Planning Department, to address Project updates since publication of the DEIR. This material was presented in a Responses to Comments document ("RTC"), published on July 9, 2014, distributed to the Commission on July 10, 2014, and all parties who commented on the DEIR, and made available to others upon request at the Department and on the Department's website.
  - 4. A Final Environmental Impact Report ("FEIR") has been prepared by the Department, consisting of the Draft Environmental Impact Report, any consultations and comments received during the review process, any additional information that became available, and the RTC document, all as required by law.

5. Project files on the FEIR have been made available for review by the Commission and the public. These files, are available for public review at the Department at 1650 Mission Street, and are part of the record before the Commission. Jonas Ionin is the custodian of the records. Copies of the DEIR and associated reference materials, as well as the RTC document, are also available for review at public libraries in San Francisco, as well as on the Department's website.
6. The Commission, in certifying the completion of said FEIR, hereby does find that the Project described in the FEIR, will not have Project-specific significant effects on the environment that could not be mitigated to a less than significant level with implementation of mitigation measures.
7. The Commission further finds, in certifying the completion of said FEIR, that the Project described in the FEIR is a component of the SFPUC's adopted Water Supply Improvement Program ("WSIP") for which the Planning Commission certified a Program Environmental Impact Report on October 30, 2008 (Case No. 2005.0159E) and the SFPUC approved by Resolution No. 08-0200; as part of the WSIP, the Commission finds that the Project will contribute to a significant and unavoidable impact related to indirect growth-inducement impacts in the SFPUC service area.
8. On August 7, 2017, the Commission reviewed and considered the FEIR and hereby does find that the contents of said report and the procedures through which the FEIR was prepared, publicized, and reviewed comply with the provisions of CEQA, the CEQA Guidelines, and Chapter 31 of the San Francisco Administrative Code.
9. The Planning Commission hereby does find that the Final Environmental Impact Report concerning File No. 2008.1396E, Regional Groundwater Storage and Recovery Project, reflects the independent judgment and analysis of the City and County of San Francisco, is adequate, accurate and objective, and that the Responses to Comments document contains no significant revisions to the DEIR or information that would necessitate recirculation of the FEIR under CEQA Guidelines Section 15088.5, and hereby does CERTIFY THE COMPLETION of said Final Environmental Impact Report in compliance with CEQA and the CEQA Guidelines.

I hereby certify that the foregoing Motion was ADOPTED by the Planning Commission at its regular meeting of August 7, 2014.



Jonas Ionin  
Commission Secretary

AYES: Antonini, Fong, Hills, Johnson, Moore, Wu (Sugaya recused)

NOES: none

ABSENT: none

ADOPTED: August 7, 2014

# **PUBLIC UTILITIES COMMISSION**

City and County of San Francisco

RESOLUTION NO. 14-0127

WHEREAS, San Francisco Public Utilities Commission (SFPUC) staff have developed a project description under the Water System Improvement Program (WSIP) for the improvements to the regional water supply system, otherwise known as Project No. CUW30103, Regional Groundwater Storage and Recovery; and

WHEREAS, The primary objective of the Project is to provide an additional dry-year regional water supply. Specific objectives of the Project are to:

- Conjunctively manage the South Westside Groundwater Basin through the coordinated use of SFPUC surface water and groundwater pumped by the Daly City, San Bruno, and California Water Service Company ("Participating Pumps");
- Provide supplemental SFPUC surface water to the Participating Pumps in normal and wet years, resulting in a corresponding reduction of groundwater pumping, which then allows for in-lieu recharge of the South Westside Groundwater Basin;
- Increase the dry-year and emergency pumping capacity of the South Westside Groundwater Basin by up to an average annual volume of 7.2 mgd; and
- Provide a new dry-year groundwater supply for SFPUC customers and increase water supply reliability during the 8.5-year design drought cycle.

WHEREAS, On August 7, 2014, the Planning Commission reviewed and considered the Final Environmental Impact Report (FEIR) in Planning Department File No. 2008.1396E, consisting of the Draft Environmental Impact Report (EIR), the Comments and Responses document and found that the contents of said report and the procedures through which the FEIR was prepared, publicized and reviewed complied with the provisions of the California Environmental Quality Act (CEQA), the CEQA Guidelines and Chapter 31 of the San Francisco Administrative Code and found further that the FEIR reflects the independent judgment and analysis of the City and County of San Francisco, is adequate, accurate and objective, and that the Comments and Responses document contains no significant revisions to the Draft EIR, and certified the completion of said FEIR in compliance with CEQA and the CEQA Guidelines in its Motion Nos. 19209; 192010; 192011; and

WHEREAS, This Commission has reviewed and considered the information contained in the FEIR, all written and oral information provided by the Planning Department, the public, relevant public agencies, SFPUC and other experts and the administrative files for the Project and the EIR; and

WHEREAS, The Project and FEIR files have been made available for review by the SFPUC and the public in File No. 2008.1396E, at 1650 Mission Street, Fourth Floor, San Francisco, California; and those files are part of the record before this Commission; and



WHEREAS, SFPUC staff prepared proposed findings, as required by CEQA, (CEQA Findings) in Attachment A to this Resolution and a proposed Mitigation, Monitoring and Reporting Program (MMRP) in Attachment B to this Resolution, which material was made available to the public and the Commission for the Commission's review, consideration and action; and

WHEREAS, The Project is a capital improvement project approved by this Commission as part of the WSIP; and

WHEREAS, A Final Programmatic EIR (PEIR) was prepared for the WSIP and certified by the Planning Commission on October 30, 2008 by Motion No. 17734; and

WHEREAS, Thereafter, the SFPUC approved the WSIP and adopted findings and a MMRP as required by CEQA on October 30, 2008 by Resolution No. 08-0200; and

WHEREAS, The FEIR prepared for the Project is tiered from the PEIR, as authorized by and in accordance with CEQA; and

WHEREAS, The PEIR has been made available for review by the SFPUC and the public, and is part of the record before this Commission; and

WHEREAS, The SFPUC staff will comply with Government Code Section 7260 et seq. statutory procedures for possible acquisition of interests (temporary or permanent) in the following real property in San Mateo County (1) Assessor's Parcel # 002-410-050 in Daly City, owned by Lake Merced Golf and Country Club, (2) Assessor's Parcels # 002-072-240, -250 and 002-201-650 in Daly City, owned by John Daly Boulevard Associates/West Lake Associates, (3) Assessor's Parcels # 006-111-540 and 006-111-460 in Daly City, owned by Jefferson School District, (4) Assessor's Parcel # 008-421-120 in Colma, owned by TSE Serramonte, (5) Assessor's Parcel's # (unknown) for property owned by BART/SAMTRANS in South San Francisco, (6) Assessor's Parcel # 010-212-100 in South San Francisco, owned by Costco Wholesale Corporation, (7) Assessor's Parcel # 010-292-210 in South San Francisco, owned by Kaiser Foundation Hospitals, (8) Assessor's Parcel # 093-220-010 in Millbrae, leased by OSH/Lowes Corporation, and (9) Assessor's Parcel # 014-320-010 in San Bruno, owned by the U.S. Department of Veterans Affairs. The total combined purchase price for the acquisition of these property interests is estimated to not exceed \$1,500,000; and

WHEREAS, The Project includes work located on the property of the City of South San Francisco, Town of Colma, Lake Merced Golf Club, Jefferson Elementary School District and the Participating Pumpers, and SFPUC staff may seek to enter into Memoranda of Agreement ("MOAs") with these entities, addressing such matters as (a) SFPUC's commitments to restore or replace, pursuant to agreed specifications, certain improvements owned by the respective entities, (b) cooperative procedures and fees relating to local permits, if any, inspections, and communications to the public concerning Project construction, (c) the form of necessary encroachment permits or other property agreements for Project construction, and (d) the parties' respective indemnification and insurance obligations; and

WHEREAS, The Project will require Board of Supervisors approval of Mitigation Agreements with irrigators overlying the South Westside Basin under Charter section 9.118; and

WHEREAS, The Project requires the General Manager to negotiate and execute an Operating Agreement with the Participating Pumpers, and related agreements to carry out the Operating Agreement . The Operating Agreement to be negotiated and executed is substantially in the form attached to this Resolution as Attachment C; and

WHEREAS, The Project MMRP requires the SFPUC to negotiate and execute Mitigation Agreements with Cypress Lawn Memorial Park Cemetery; Eternal Home Cemetery; Hills of Eternity/Home of Peace/Salem Cemeteries; Holy Cross Catholic Cemetery; Italian Cemetery; Olivet Cemetery; and Woodlawn Cemetery in Colma, and the California Golf Club in South San Francisco. The Mitigation Agreements to be negotiated and executed are substantially in the form attached to this Resolution as Attachment D; and

WHEREAS, The Project MMRP requires the SFPUC to 1) negotiate and execute an amendment to the 2009 Water Supply Agreement (WSA) with the SFPUC's wholesale water customers regarding delivery of replacement water from the Regional Water System as an interim mitigation action to irrigators overlying the South Westside Basin; and 2) negotiate and execute a wheeling agreement with California Water Service Company for delivery of replacement water to irrigators overlying the South Westside Basin as an interim mitigation action; and

WHEREAS, Implementation of the Project mitigation measures will involve consultation with, or required approvals by, state regulatory agencies, including but not limited to the following: California Department of Health, San Francisco Bay Regional Water Quality Control Board, State Water Resources Control Board, Bay Area Air Quality Management District, State Historic Preservation Officer, and California Department of Fish and Game; and

WHEREAS, The Project may require the SFPUC General Manager to apply for and execute various necessary permits, encroachment permits, or other approvals with, including but not limited to, the California Department of Transportation; County of San Mateo; Town of Colma, and cities of Daly City, Millbrae, San Bruno, and South San Francisco, and those permits shall be consistent with SFPUC existing fee or easement interests, where applicable, and will include terms and conditions including, but not limited to, maintenance, repair and relocation of improvements and possibly indemnity obligations; now, therefore, be it

RESOLVED, This Commission has reviewed and considered the FEIR, finds that the FEIR is adequate for its use as the decision-making body for the actions taken herein, and hereby adopts the CEQA Findings, including the Statement of Overriding Considerations, attached hereto as Attachment A and incorporated herein as part of this Resolution by this reference thereto, and adopts the MMRP attached to this Resolution as Attachment B and incorporated herein as part of this Resolution by this reference thereto, and authorizes a request to the Board of Supervisors to adopt the same CEQA Findings, Statement of Overriding Considerations and MMRP; and be it

FURTHER RESOLVED, That this Commission hereby approves Project No. CUW30103, Regional Groundwater Storage and Recovery Project and authorizes staff to proceed with actions necessary to implement the Project consistent with this Resolution, including advertising for construction bids, provided, however, that staff will return to seek Commission approval for award of the construction contract; and be it

FURTHER RESOLVED, That this Commission hereby authorizes the SFPUC General Manager and/or the Director of Real Estate to undertake the process, in compliance with Government Code Section 7260 et seq., with the San Francisco Charter and all applicable laws, for possible acquisition of interests (temporary or permanent) in the following real property in San Mateo County (1) Assessor's Parcel # 002-410-050 in Daly City, owned by Lake Merced Golf and Country Club, (2) Assessor's Parcels # 002-072-240, -250 and 002-201-650 in Daly City, owned by West Lake Associates/John Daly Blvd. Assoc, (3) Assessor's Parcels # 006-111-540 and 006-111-460 in Daly City, owned by Jefferson Elementary School District, (4) Assessor's Parcel # 008-421-120 in Colma, owned by TSE Serramonte, L.P. and leased by Kohl's Department Store, (5) Assessor's Parcels (unknown) for property owned by BART/SAMTRANS in South San Francisco, (6) Assessor's Parcel # 010-212-100 in South San Francisco, owned by Costco Wholesale Corporation, (7) Assessor's Parcel # 093-331-080 in South San Francisco, owned by the City of South San Francisco, (8) Assessor's Parcel # 010-292-210 in South San Francisco, owned by Kaiser Foundation Hospitals, (9) Assessor's Parcel # 093-220-010 in Millbrae, leased by OSH/Lowes Corporation, and (10) Assessor's Parcel # 014-320-010 in San Bruno, owned by the U.S.A., and to seek Board of Supervisors' approval if necessary, and provided that any necessary Board approval has been obtained, to accept and execute final agreements, and any other related documents necessary to consummate the transactions contemplated therein, in such form, approved by the City Attorney; and be it

FURTHER RESOLVED, The General Manager will confer with the Commission during the negotiation process on real estate agreements as necessary, and report to the Commission on all agreements submitted to the Board of Supervisors for approval; and be it

FURTHER RESOLVED, That this Commission hereby authorizes the General Manager to negotiate and execute Memoranda of Agreement, if necessary, to perform work on the property of the City of South San Francisco, Town of Colma, Lake Merced Golf Club, Jefferson Elementary School District and the Participating Pumpers (collectively the "Project MOAs") in a form that the General Manager determines is in the public interest and is acceptable, necessary, and advisable to effectuate the purposes and intent of this Resolution, and in compliance with the Charter and all applicable laws, and approved as to form by the City Attorney. The Project MOAs may address such matters as (a) SFPUC's commitments to restore or replace, pursuant to agreed specifications, certain improvements owned by the respective local jurisdictions, (b) cooperative procedures and fees relating to local permits, inspections, and communications to the public concerning Project construction, (c) the form of necessary encroachment permits or other property licenses required to permit Project construction, and (d) the parties' respective indemnification and insurance obligations, subject to the San Francisco Risk Manager's approval; and be it

FURTHER RESOLVED, That this Commission hereby authorizes the SFPUC General Manager to seek Board of Supervisors approval for the Controller's release of reserve for the Project; and be it

FURTHER RESOLVED, That this Commission hereby authorizes the SFPUC General Manager to negotiate and execute an Operating Agreement with the City of Daly City, the City of San Bruno, and California Water Service Company, substantially in the form attached to this Resolution as Attachment C, along with more detailed site specific agreements for the operation of Project wells by the Participating Pumpers and the shared use of facilities owned by the Participating Pumpers for water treatment and distribution, as contemplated by the Operating Agreement; and be it

FURTHER RESOLVED, That this Commission hereby authorizes the SFPUC General Manager to negotiate and execute Mitigation Agreements with Cypress Lawn Memorial Park Cemetery; Eternal Home Cemetery; Hills of Eternity/Home of Peace/Salem Cemeteries; Holy Cross Catholic Cemetery; Italian Cemetery; Olivet Cemetery; and Woodlawn Cemetery in Colma, and the California Golf Club in South San Francisco substantially in the forms attached to this Resolution as Attachment D, and to seek Board of Supervisors approval of the Mitigation Agreements under Charter Section 9.118, along with the approval of the settlement of any CEQA appeals filed by these irrigators based on the terms of the Mitigation Agreements; and be it

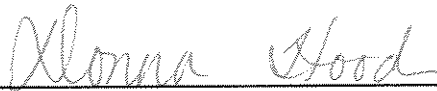
FURTHER RESOLVED, That this Commission authorizes the General Manager, or his designee, to consult with, or apply for, and, if necessary, seek Board of Supervisors' approval, and if approved, to accept and execute permits or required approvals by state regulatory agencies, including but not limited to, the California Department of Public Health, the Regional Water Quality Control Board, the State Water Resources Control Board, the Bay Area Air Quality Management District, the State Historic Preservation Officer, and the California Department of Fish and Wildlife, including terms and conditions that are within the lawful authority of the agency to impose, in the public interest, and, in the judgment of the General Manager, in consultation with the City Attorney, are reasonable and appropriate for the scope and duration of the requested permit or approval, as necessary for the Project; and be it

FURTHER RESOLVED, That this Commission authorizes the General Manager, or his designee, to apply for and execute various necessary permits and encroachment permits or other approvals with, including but not limited to, the California Department of Transportation; County of San Mateo; Town of Colma; and the cities of Daly City, Millbrae, San Bruno, and South San Francisco, which permits or approvals shall be consistent with SFPUC's existing fee or easement interests, where applicable. To the extent that the terms and conditions of the permits will require SFPUC to indemnify the respective jurisdictions, those indemnity obligations are subject to review and approval by the San Francisco Risk Manager. The General Manager is authorized to agree to such terms and conditions, including but not limited to those relating to maintenance, repair and relocation of improvements, that are in the public interest, and in the judgment of the General Manager, in consultation with the City Attorney, are reasonable and appropriate for the scope and duration of the requested use as necessary for the Project; and be it

FURTHER RESOLVED, That this Commission authorizes the General Manager to work with the Director of Real Estate to seek Board approval if necessary, and provided any necessary Board approval is obtained, to accept and execute the real property agreements authorized herein; and be it

FURTHER RESOLVED, That this Commission authorizes the General Manager, or his designee, to enter into any subsequent additions, amendments or other modifications to the permits, licenses, encroachment removal agreements, leases, easements, other Use Instruments or real property agreements, Operating Agreements, and Mitigation Agreements or amendments thereto, as described herein, that the General Manager, in consultation with the Real Estate Services director and the City Attorney, determines are in the best interests of the SFPUC and the City, do not materially decrease the benefits to the SFPUC or the City, and do not materially increase the obligations or liabilities of the SFPUC or the City, such determination to be conclusively evidenced by the execution and delivery of any such additions, amendments, or other modifications.

*I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of August 12, 2014.*

A handwritten signature in cursive script, reading "Alonna Hood", is written over a horizontal line.

*Secretary, Public Utilities Commission*

August 2014

# Final Environmental Impact Report

Volume 1 of 5

## For the San Francisco Public Utilities Commission's Regional Groundwater Storage and Recovery Project

Important Dates:

Draft EIR Publication Date:

April 10, 2013

Draft EIR Hearing Dates:

May 14, 2013 in San Mateo County

May 16, 2013 in San Francisco

Draft EIR Public Comment Period: April 10, 2013 through June 11, 2013

Final EIR Certification Hearing Date: August 7, 2014



San Francisco Planning Department  
Case No. 2008.1396E  
State Clearinghouse No. 2005092026



August 2014

# Final Environmental Impact Report

Volume 2 of 5

## For the San Francisco Public Utilities Commission's **Regional Groundwater Storage and Recovery Project**

Important Dates:

Draft EIR Publication Date:

April 10, 2013

Draft EIR Hearing Dates:

May 14, 2013 in San Mateo County

May 16, 2013 in San Francisco

Draft EIR Public Comment Period: April 10, 2013 through June 11, 2013

Final EIR Certification Hearing Date: August 7, 2014



San Francisco Planning Department

Case No. 2008.1396E

State Clearinghouse No. 2005092026

August 2014

# Final Environmental Impact Report

Volume 3 of 5

## For the San Francisco Public Utilities Commission's Regional Groundwater Storage and Recovery Project

Important Dates:

Draft EIR Publication Date:

April 10, 2013

Draft EIR Hearing Dates:

May 14, 2013 in San Mateo County

May 16, 2013 in San Francisco

Draft EIR Public Comment Period: April 10, 2013 through June 11, 2013

Final EIR Certification Hearing Date: August 7, 2014



San Francisco Planning Department  
Case No. 2008.1396E  
State Clearinghouse No. 2005092026

August 2014

# Final Environmental Impact Report

Volume 4 of 5

## For the San Francisco Public Utilities Commission's Regional Groundwater Storage and Recovery Project

Important Dates:

Draft EIR Publication Date:

April 10, 2013

Draft EIR Hearing Dates:

May 14, 2013 in San Mateo County

May 16, 2013 in San Francisco

Draft EIR Public Comment Period: April 10, 2013 through June 11, 2013

Final EIR Certification Hearing Date: August 7, 2014



San Francisco Planning Department  
Case No. 2008.1396E  
State Clearinghouse No. 2005092026

August 2014

# Final Environmental Impact Report

Volume 5 of 5

## For the San Francisco Public Utilities Commission's Regional Groundwater Storage and Recovery Project

Important Dates:

Draft EIR Publication Date:

April 10, 2013

Draft EIR Hearing Dates:

May 14, 2013 in San Mateo County

May 16, 2013 in San Francisco

Draft EIR Public Comment Period: April 10, 2013 through June 11, 2013

Final EIR Certification Hearing Date: August 7, 2014



San Francisco Planning Department  
Case No. 2008.1396E  
State Clearinghouse No. 2005092026