

# **PUBLIC UTILITIES COMMISSION**

City and County of San Francisco

RESOLUTION NO. 17-0089

WHEREAS, It is the intent of this Memorandum of Understanding (MOU) to record the parties' understanding as to: the SFPUC's development of new wastewater treatment facilities necessary for treatment and discharge of sanitary sewage (WWTF), including production of recycled water (RWTF) (collectively, the WWTP Project) on Treasure Island; the necessary real property improvements to the WWTP Project site; TIDA's transfers to the SFPUC of fee and easement interests for the WWTP Project construction and operation; SFPUC's right to continued use of existing or comparable property to support existing contracted utility services or future public utility operations; and the transfer of an additional parcel of 4-6 acres contiguous to the WWTF site, as contemplated in the Infrastructure Plan included in TIDA's Disposition and Development Agreement associated with planned development of Treasure Island/Yerba Buena Island (TI/YBI); and

WHEREAS, Under this MOU, the Treasure Island Development Authority (TIDA) must ensure various actions are completed as condition precedent for the San Francisco Public Utilities Commission (SFPUC) to begin construction of the WWTP Project, including but not limited to, site preparation, conveyance of property to the SFPUC, and any necessary site remediation; and

WHEREAS, TIDA will continue to be responsible as the sanitary sewer collection and treatment service provider on Treasure Island and Yerba Buena Island (TI/YBI), by continuing to contract for such services, for both new and existing service connections until SFPUC's completion of the new WWTF, and acceptance of related infrastructure as may be required by the City, under the jurisdiction of the SFPUC; and

WHEREAS, New service connections must enter into an agreement with TIDA to obtain sanitary sewage collection and treatment service for the subdivision, subject to possible transfer of service to SFPUC in the future on terms consistent with SFPUC's rules, regulations, rates, fees and charges; and

WHEREAS, TIDA will continue to be the service provider for any customers whose flows are conveyed to the WWTF in whole or in part by currently existing legacy infrastructure; and

WHEREAS, Under separate agreement, the Navy must remediate environmental conditions arising out of its operation of Naval Station Treasure Island (NSTI) to levels appropriate for the land uses set forth in the development plan for Treasure Island before land can be transferred to TIDA; and

WHEREAS, Land transferred from the Navy to TIDA will also include appropriate Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA") covenants and warranties, including callback provisions requiring Navy remediation should previously unidentified contamination resulting from Navy use of the property be identified at a later date; and

WHEREAS, On June 7, 2011, the Board of Supervisors, in compliance with the California Environmental Quality Act (CEQA), adopted Resolution No. 246-11, including the CEQA Findings, the Mitigation and Monitoring Reporting Program (MMRP) and a Statement of Overriding Considerations for the Treasure Island-Yerba Buena Island Project and approved the Project, which includes the WWTP Project. Therefore, CEQA review for the WWTP as proposed is complete. Additional CEQA review and if necessary preparation of the appropriate CEQA document will be complete prior to this Commission's approval of the WWTP Project construction, including specific processes and equipment, any modifications to related facilities such as the existing outfall, or approval of a development plan for the Additional Parcel; and

WHEREAS, The City's budget decisions are subject to the discretion of the Mayor and the Board of Supervisors, and the City has no obligation to make appropriations for the obligations of the parties contemplated in this MOU in lieu of appropriations for new or other agreements; now, therefore be it

RESOLVED, That this Commission authorizes the General Manager, or his designee, to negotiate and execute a MOU by and between the SFPUC and TIDA regarding the SFPUC's development of the WWTP Project to serve TI/YBI, and TIDA's obligations concerning the related real property improvements, and property transfers to the SFPUC, in substantially the form of the MOU on file with the Commission Secretary, subject to Board of Supervisors approval, as required.

*I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of April 25, 2017.*

*Alonna Hood*

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Secretary, Public Utilities Commission