

PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. 23-0124

WHEREAS, San Francisco Public Utilities Commission (SFPUC) staff have developed a project to construct a new recycled water pipeline to convert the San Francisco Zoo's current groundwater supply and distribution system to a recycled water supply and distribution system, otherwise known as Water Enterprise Capital Improvement Project No. 10037519, San Francisco Zoo Recycled Water Project (Project); and

WHEREAS, The Project will be a local water project that will provide regional water supply and reliability benefits to the SFPUC's Regional Water System and the Westside Groundwater Basin by maximizing the SFPUC's potable water supply, thereby reducing pressure on existing supplies likely to be stressed by climate change; and

WHEREAS, Under the State Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1), the California Department of Water Resources issued a grant to the Association of Bay Area Governments to fund local projects within the San Francisco Bay Area; and

WHEREAS, On December 11, 2018, the SFPUC applied for a Proposition 1 grant, seeking funding for the Project as one of the local projects; and

WHEREAS, On July 23, 2019, SFPUC was selected to receive a Proposition 1 grant in the amount of \$538,051 for the pipeline construction component of the Project; and

WHEREAS, The estimated cost of construction for the Project is \$2.3 million, the Proposition 1 grant would fund up to \$538,051 to offset the pipeline construction costs of the Project, and the Water Enterprise Capital Improvement Project No. 10037519 would fund SFPUC's required cost share of \$422,849, as well as the remaining costs of construction; and

WHEREAS, The SFPUC desires to receive the Proposition 1 grant funds and is willing to cooperate in fulfilling grant requirements; and

WHEREAS, With Commission and Board of Supervisors authorization, the SFPUC and the Association of Bay Area Governments would enter into the Local Project Sponsor Agreement for the Association of Bay Area Governments to disburse up to \$538,051 of Proposition 1 grant funds to the SFPUC for the construction of the pipeline; and

WHEREAS, On July 26, 2021, the San Francisco Planning Department determined the Project to be categorically exempt from environmental review under the California Environmental Quality Act (CEQA) section 15303, Class 3 (New Construction or Conversion of Small Structures) (Case No. 2021-006486ENV); and

WHEREAS, In accordance with Section 10.170-1(b) of the San Francisco Administrative Code, approval by the San Francisco Board of Supervisors is required to accept and expend the Proposition 1 grant funds; now, therefore, be it,

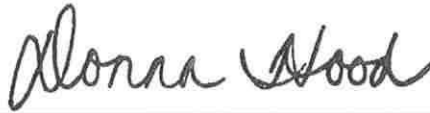
RESOLVED, That this Commission recommends that the San Francisco Board of Supervisors authorize the SFPUC to accept and expend the Proposition 1 grant funds of up to \$538,051 from the California Department of Water Resources for the Project; and be it

FURTHER RESOLVED, That subject to approval by the Board of Supervisors, this Commission hereby authorizes the General Manager or the General Manager's designee to execute the Local Project Sponsor Agreement with the Association of Bay Area Governments and to accept and expend up to \$538,051 of Proposition 1 grant funds to the SFPUC for the construction of the pipeline; and be it

FURTHER RESOLVED, That this Commission hereby authorizes the General Manager or the General Manager's designee to take such actions to deliver and execute such certificates, agreements, requests, or other documents as they may deem necessary or appropriate to facilitate the execution and delivery of the Local Project Sponsor Agreement, including certifying disbursement requests on behalf of the SFPUC and complying with applicable requirements; and be it

FURTHER RESOLVED, That this Commission hereby authorizes the General Manager or the General Manager's designee to enter into any modifications to the Local Project Sponsor Agreement, including, but not limited to, an increase in duration, that the General Manager or designee determines, in consultation with the City Attorney, are in the best interests of the City and do not materially increase the obligations or liabilities of the City, are necessary or appropriate to effectuate the purposes of the grant or this Resolution, and are in compliance with all applicable laws, including the City's Charter.

I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of June 13, 2023.



Secretary, Public Utilities Commission