

File No. 101305

Committee Item No. 4

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Land Use and Economic Development Date November 8, 2010

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 Analyst Report
<input type="checkbox"/>	<input type="checkbox"/>	Legislative Analyst Report
<input type="checkbox"/>	<input type="checkbox"/>	Youth Commission Report
<input type="checkbox"/>	<input type="checkbox"/>	Introduction Form (for hearings)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Department/Agency Cover Letter and/or Report
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OTHER

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<input checked="" type="checkbox"/>	<input type="checkbox"/>	Public Utilities Commission Resolution No. 10-0175
* <input checked="" type="checkbox"/>	<input type="checkbox"/>	Draft Environmental Impact Report, dtd March 2010
* <input checked="" type="checkbox"/>	<input type="checkbox"/>	Attachment A: CEQA Findings
* <input checked="" type="checkbox"/>	<input type="checkbox"/>	Attachment B: Mitigation Monitoring and Reporting Program
<input type="checkbox"/>	<input type="checkbox"/>	_____
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Completed by: Alisa Somera Date November 5, 2010

Completed by: _____ Date _____

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

1 [Lower Crystal Springs Dam Improvements Project Findings]

2
3 **Resolution adopting findings under the California Environmental Quality Act, including**
4 **the adoption of a mitigation monitoring and reporting program and a statement of**
5 **overriding considerations related to the Lower Crystal Springs Dam Improvements**
6 **Project No. CUW35401, including the Mitigation Habitat Actions at ten sites mostly in San**
7 **Mateo County; and directing the Clerk of the Board of Supervisors to notify the Controller**
8 **of this action.**

9
10 WHEREAS, The San Francisco Public Utilities Commission (SFPUC) has developed a project
11 description for the Lower Crystal Springs Dam Improvements Project Variant, Project No
12 CUW35401, (the "Project") which is a water infrastructure project included as part of the Water
13 System Improvement Program (WSIP). The Project is located in unincorporated San Mateo
14 County. The Project would modify various features of the Lower Crystal Springs Dam
15 ("LCSD") to comply with requirements of the California Department of Water Resources,
16 Division of Safety of Dams ("DSOD"). The Project seeks to addresses DSOD requirements
17 through hydraulic improvements that will enable floodwater associated with the Probable
18 Maximum Flood ("PMF") and other very large and infrequent floods to pass safely over the
19 LCSD without compromising the integrity of the dam. Satisfaction of DSOD requirements will
20 allow the SFPUC to restore the reservoir's historical storage capacity. The increase in local
21 storage on the Peninsula would help the SFPUC in achieving regional Water System
22 Improvement Program ("WSIP") level-of-service goals including, but not limited to, seismic
23 reliability, delivery reliability, and water supply reliability goals for continued system operation
24 in the event of an emergency or during major water system maintenance events. In addition,

1 to comply with anticipated permit requirements of the National Marine Fisheries Service
2 ("NMFS") and the California Department of Fish and Game ("CDFG"), the Project includes
3 authorization for the SFPUC General Manager to agree to a minimum water release schedule
4 for flow releases from Crystal Springs Reservoir to San Mateo Creek below LCSD to enhance
5 habitat for native fish as part of the long term operations under the Project; and

6 WHEREAS, The objectives of the Project are to complete modification to the existing
7 LCSD facilities in compliance with DSOD directive, restore historical storage capacity of
8 Crystal Springs Reservoir, improve the SFPUC's water supply delivery capability, help meet
9 the SFPUC's dry-year delivery needs, facilitate planned shutdown of individual facilities for
10 regular maintenance without interrupting customer service, maximize capture of local runoff
11 from the Peninsula watershed and to increase water storage on the Peninsula; and

12 WHEREAS, An environmental impact report ("EIR") as required by the California
13 Environmental Quality Act ("CEQA") was prepared for the Project in Planning Department File
14 No. File No. 2006.0536E; and

15 WHEREAS, The Final EIR ("FEIR") was certified by the San Francisco Planning
16 Commission on October 7, 2010 by Motion 18189; and

17 WHEREAS, The FEIR prepared for the Project is tiered from the WSIP Program
18 Environmental Impact Report ("PEIR") certified by the Planning Commission on October 30,
19 2008 by Motion No. 17734; and

20 WHEREAS, Thereafter, the SFPUC approved the WSIP and adopted findings and a
21 Mitigation Monitoring and Reporting Program (PEIR MMRP) as required by CEQA on October
22 30, 2008 by Resolution No. 08-200; and

23 WHEREAS, On October 15, 2010, the San Francisco Public Utilities Commission
24 (SFPUC), by Resolution No. 10-0175, a copy of which is included in Board of Supervisors File
25 No. 101305 and which is incorporated herein by this reference: (1) approved the Project; (2)

1 adopted findings (CEQA Findings), including a statement of overriding considerations, and a
2 Mitigation Monitoring and Reporting Program (MMRP) required by CEQA; and

3 WHEREAS, The Project files, including the FEIR, PEIR and SFPUC Resolution No. 10-
4 0175 have been made available for review by the Board and the public, and those files are
5 considered part of the record before this Board; and

6 WHEREAS, At the time of Project approval, SFPUC staff anticipates that
7 implementation of the Project is likely to include, but may not be limited to, Mitigation Habitat
8 Actions at ten identified sites: (1) Skyline Boulevard, (2) San Andreas Reservoir, (3) Upper
9 San Mateo Creek, (4) Skyline Quarry, (5) Adobe Gulch Creek South, (6) Boat Ramp North, (7)
10 Adobe Gulch, (8) Boat Ramp North, (9) Half Moon Bay/Pilarcitos, and (10) Sherwood Point.
11 These sites were selected and designed using the conservation principles required by the
12 PEIR and subsequent SFPUC adoption of the PEIR MMRP, which prescribe a coordinated
13 approach in developing mitigation for biological resource impacts of individual WSIP facility
14 projects in order to avoid habitat fragmentation, preserve wildlife movement corridors and
15 allow for plants and wildlife to disperse over large contiguous habitat areas. Therefore, it is
16 necessary and appropriate for the SFPUC to implement compensatory mitigation habitat
17 improvements at these sites to minimize overall environmental impacts, and to achieve the
18 overall habitat preservation and creation functions of the site(s), notwithstanding that
19 mitigation at these sites may be in excess of resource agency requirements for the Project or
20 other future SFPUC projects. By authorizing implementation of the full mitigation site(s) in
21 connection with the Project, once approved by the resource agencies, neither the SFPUC nor
22 this Board make any commitment to approve any other WSIP project or mitigation, nor do the
23 SFPUC and this Board make any determination as to the adequacy of the ten compensation
24 sites as mitigation for any other WSIP project, and both the SFPUC and this Board retain full
25 discretion to consider the environmental documents for other WSIP projects, including but not

1 limited to mitigation measures therein, and to approve or disapprove the project and the
2 compensatory mitigation habitat proposed for impacts resulting from those projects. Funding
3 for the Mitigation Habitat Actions will be provided, in part, from Project No. CUW3880100,
4 referred to as the Habitat Reserve Program in the Supplemental Appropriation Ordinance
5 0092-10; and

6 WHEREAS, The Board of Supervisors has reviewed and considered the information
7 and findings contained in the FEIR, PEIR and SFPUC Resolution No. 10-0175, and all written
8 and oral information provided by the Planning Department, the public, relevant public
9 agencies, SFPUC and other experts and the administrative files for the Project; and

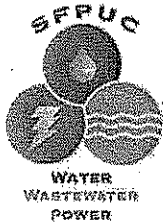
10 WHEREAS, This Board of Supervisors adopted Ordinance No. 0092-10 that placed
11 WSIP appropriated funds on Controller's Appropriation Reserve, by project, making release of
12 appropriation reserves by the Controller subject to the prior occurrence of: (1) the SFPUC's
13 and the Board's discretionary adoption of CEQA Findings for each project, following review
14 and consideration of completed project-related environmental analysis, pursuant to CEQA, the
15 State CEQA Guidelines, and Chapter 31 of the San Francisco Administrative Code, where
16 required, and (2) the Controller's certification of funds availability, including proceeds of
17 indebtedness. The ordinance also placed any project with construction costs in excess of
18 \$100 million on Budget and Finance Committee reserve pending review and reserve release
19 by that Committee, however, Project costs are below that threshold; now, therefore, be it

20 RESOLVED, That the Board of Supervisors has reviewed and considered the FEIR
21 and record as a whole, finds that the FEIR is adequate for its use as the decision-making
22 body for the action taken herein including, but not limited to, approval of the Project and
23 adopts and incorporates by reference as though fully set forth herein the CEQA Findings,
24 including the statement of overriding considerations, and the MMRP contained in Resolution
25 No. 10-0175; and, be it

1 FURTHER RESOLVED, That the Board finds that the Project mitigation measures set
2 forth in the FEIR and the MMRP, including but not limited to the Mitigation Habitat Actions,
3 and adopted by the SFPUC and herein by this Board will be implemented as reflected in and
4 in accordance with the MMRP; and, be it

5 FURTHER RESOLVED, The Board finds that since the FEIR was finalized, there have
6 been no substantial project changes and no substantial changes in Project circumstances that
7 would require major revisions to the FEIR due to the involvement of new significant
8 environmental effects or an increase in the severity of previously identified significant impacts,
9 and there is no new information of substantial importance that would change the conclusions
10 set forth in the FEIR; and, be it

11 FURTHER RESOLVED, That the Board directs the Clerk of the Board to forward this
12 Resolution to the Controller.
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AGENDA ITEM
Public Utilities Commission
City and County of San Francisco



DEPARTMENT Infrastructure Division

AGENDA NO. 12

MEETING DATE October 15, 2010

Approve Project: Regular Calendar
Julie Labonte

Project No. CUW35401, Approve Project, Lower Crystal Springs Dam Improvements Project

Summary of Proposed Commission Action:	<p>Approve Water Enterprise, Water System Improvement Program (WSIP) Project No. CUW35401, Lower Crystal Springs Dam Improvements Project Variant (LCSDI or the Project); adopt the required California Environmental Quality Act (CEQA) Findings, including a Statement of Overriding Considerations, and the Mitigation Monitoring and Reporting Program (MMRP); and authorize the General Manager to implement the Project, in compliance with the Charter and applicable law, and subject to Board of Supervisors approval where required, including the following:</p> <p>a. Obtain from CalTrans and San Mateo County, as necessary, encroachment permits, consents, or other permits for temporary construction activities.</p> <p>b. Exercise any City or San Francisco Public Utilities Commission (SFPUC or Commission) right under any deed, easement, lease, permit, or license as necessary, and negotiate and execute with owners or occupiers of property interests or utility facilities or improvements on, along, over, under, adjacent to, or in the vicinity of the SFPUC's right-of-way, new or amended easement, lease, permit, license, encroachment-removal or other project related agreements, if necessary for the Project.</p> <p>c. Obtain permits or approvals by state and federal regulatory agencies, including but not limited to: U.S. Army Corps of Engineers, State Historic Preservation Officer, U.S. Fish & Wildlife Service, National Marine Fisheries Service, California Department of Fish and</p>
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APPROVAL:

DEPARTMENT /
BUREAU

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COMMISSION
SECRETARY

Mike Housh

FINANCE

Todd L. Rydstrom

GENERAL
MANAGER

Ed Harrington

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	<p>Game, San Francisco Regional Water Quality Control Board, Bay Area Air Quality Management District, California Department of Water Resources - Division of Safety of Dams, and California Department of Transportation.</p> <p>d. Negotiate and execute real estate agreements, financial assurance instruments, and conservation easements related to acquisition and implementation of habitat mitigation sites, if necessary for the Project.</p> <p>e. Negotiate and execute any construction agreements or Memoranda of Understanding (MOU) with San Mateo County related to coordination of the Project with San Mateo County's approved Skyline Bridge Replacement Project.</p> <p>Notwithstanding the authority granted to the General Manager by this Resolution, the General Manager is not authorized to dispose of any real property, in any manner, including by sale, trade or transfer, without approval by the SFPUC pursuant to Charter Section 8B124.</p> <p>Implementation actions will include advertising for construction bids for the project and for compensatory mitigation habitat. However, the Commission will confirm award of the construction contract(s) at a future date.</p>
Background:	<p>The Project is one of the key regional projects to be completed as part of the WSIP. Approval of these actions will allow the SFPUC to proceed with improvements to the regional water system that will increase the system's overall seismic reliability, delivery reliability, and water supply reliability for the regional water system.</p> <p>More specifically, the primary goal of the proposed project is to comply with California Department of Water Resources, Division of Safety of Dams (DSOD), requirements in order to lift DSOD restrictions on maximum normal water elevations in the Crystal Springs Reservoir. In order to lift these restrictions, the DSOD requires that SFPUC improve the dam's spillway and stilling basin to be able to accommodate the Probable Maximum Flood (PMF). The PMF is the theoretically largest flood that can be reasonably expected to occur at the Lower Crystal Springs Dam (LCSD) as a result of runoff from the upstream watershed. To comply with the DSOD requirement, floodwater from the PMF must be able to pass over the dam to the stream below without endangering the dam's structural integrity. In 1983, the DSOD determined that the LCSD cannot sustain the PMF without floodwaters overtopping the dam and possibly damaging the structure. Absent improvements, the DSOD would continue to require that the SFPUC operate the dam at water levels substantially lower than the maximum design capacity of the dam and reservoir.</p>

	<p>The objectives of the Project are to:</p> <ul style="list-style-type: none"> • Complete modifications to the existing LCSD facilities in compliance with the DSOD directive; • Restore the historical storage capacity of Crystal Springs Reservoir; • Improve the SFPUC's water supply delivery capability; • Help meet the SFPUC's dry-year delivery needs; • Facilitate planned shutdown of individual facilities for regular maintenance without interrupting customer service; • Maximize capture of local runoff from the Peninsula watershed; and • Increase water storage on the Peninsula. <p>These Project objectives relate directly to the following WSIP goals and objectives (SFPUC Resolution No. 08-200):</p> <ul style="list-style-type: none"> • <u>Seismic Reliability</u>. Deliver basic service to the three regions in the service area within 24 hours after a major earthquake and restore facilities to meet average-day demand within 30 days after a major earthquake. • <u>Delivery Reliability</u>. Provide operational flexibility to allow planned maintenance shutdown of individual facilities without interrupting customer service; provide operational flexibility to minimize the risk of service interruption from unplanned facility upsets or outages; provide operational flexibility and system capacity to replenish local reservoirs as needed; and meet the estimated average annual demand under the conditions of one planned shutdown of a major facility for maintenance concurrent with one unplanned facility outage. • <u>Water Supply Reliability</u>. Meet dry-year delivery needs while limiting rationing to a maximum 20 percent system-wide reduction in water service during extended droughts. <p>By enabling the DSOD to lift current operating restrictions, the Project would allow the SFPUC to increase the average and maximum water surface elevations in Crystal Springs Reservoir, thereby increasing water supply storage over current conditions. The increased local storage capacity on the Peninsula would improve the SFPUC's ability to deliver water to its customers, particularly customers in San Francisco and San Mateo Counties, during both drought and non-drought periods.</p> <p>Implementation of the proposed project is a fundamental component</p>
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of the WSIP needed to achieve the established WSIP system performance objectives for seismic reliability, delivery reliability, and water supply reliability listed above. The WSIP system objectives address the needs of the regional water supply system as a whole, and the Project, in combination with other facility improvement projects identified in the WSIP, is needed to fully meet these WSIP goals and objectives. The Project was designed to incorporate the minimum performance standards for Crystal Springs Reservoir required to achieve the WSIP system-wide level-of-service objectives.

The Project also includes raising a small sampling station located at the south end of the Pulgas Discharge Channel. The sampling station was built during the DSOD storage restrictions and will be raised to accommodate the future operating levels.

In addition, to comply with anticipated permit requirements of the National Marine Fisheries Service and the California Department of Fish and Game for the Project, the SFPUC has developed a minimum water release schedule for flow releases from Crystal Springs Reservoir to San Mateo Creek below LCSO to enhance habitat for native fish as part of the long-term operations under the Project. These flow releases are expected to be required by the regulatory agencies. The SFPUC anticipates that the releases would begin upon completion of Project construction at Lower Crystal Springs Dam (in 2013 or later).

As a result of this proposed fishery flow to San Mateo Creek, in combination with proposed fishery flows in Alameda and Calaveras Creeks, the SFPUC may not be able to meet the adopted WSIP water supply reliability objectives between 2013 and 2018 without a reduction in demand, demand management, increased rationing and/or use of a supplemental water supply. These options are discussed in the SFPUC memorandum dated August 10, 2010, and included in the files for this Project. The effects of this possible change in water supply are also discussed in the Project Variant Chapter of the Final Environmental Impact Report (EIR) (see Responses to Comments, Chapter 3, Project Variant).

As a condition of Project approval and in order to reduce environmental impacts associated with raising the water elevation at the reservoir, the SFPUC will adopt operating restrictions for Lower Crystal Springs Reservoir. As part of Project approval, the SFPUC commits to limit the maximum normal water surface elevation to 287.8 feet, with limited exceptions. Under this policy, the SFPUC may allow water surface elevations to exceed 287.8 feet for short durations (up to 14 days), subject to the operating restraints set forth in the July 10, 2010, SFPUC staff memorandum entitled "Operations of Crystal Springs Reservoir Before and After Lower Crystal Springs Dam Improvements Project and Minimum Water Release Requirement for

	<p>San Mateo Creek," a copy of which is included in the Project file.</p> <p>Additionally, the SFPUC will need to adopt short-term operational restrictions intended to avoid and reduce environmental impacts. During at least the first three years following the completion of the Project, the SFPUC agrees to gradually increase the water elevations in the reservoir, thereby enabling special-status plant and animal species to adapt to the 4-foot increase in maximum normal operating water levels.</p>
Result of Inaction:	<p>The SFPUC would not be able to proceed with plans to implement the Project, and the DSOD has indicated that it would need to issue permanent, updated dam operating restrictions based on current calculations of the PMF, which could further reduce storage by 15 feet below the existing elevation. This will restrict the SFPUC's ability to reliably meet customer demands after a major seismic event, during a drought, or during major maintenance activities.</p>
Description of Project Action:	<p>I. In order to move forward with the Project, the Commission must review and consider the certified Final EIR, and adopt the Project CEQA Findings, including the Statement of Overriding Considerations, and the MMRP. The Final EIR was provided to each member of the Commission. The Final EIR was prepared by the San Francisco Planning Department.</p> <p>The Final EIR identified and analyzed Project-specific significant impacts and found potentially significant impacts within the resource areas of land use and land use planning, aesthetics, cultural and paleontological resources, transportation and circulation, noise and vibration, air quality and climate change, recreation, utilities and service systems, biological resources, geology and soils, hydrology and water quality, hazards and hazardous materials, and cumulative impacts. Potentially significant impacts will be reduced to a less than significant level by implementing the mitigation measures in the Final EIR and the MMRP during the design, construction, and post-construction phases, except for those potentially significant and unavoidable impacts caused by the Project and identified in the Final EIR. These potentially significant and unavoidable impacts include impacts to:</p> <ul style="list-style-type: none"> • Aesthetics due to long-term visual effects caused by inundation of shoreline woodlands; • Historical resources due to design and construction effects on the historical integrity of the Lower Crystal Springs Dam (cumulative impact on historic resources when considered in combination with the Crystal Springs/San Andreas Transmission Upgrade Project which will impact Outlet Structure 1, a contributing structure to the Lower Crystal Springs Dam); • Noise and vibration due to temporary, construction-related, on-site noise increases and temporary noise disturbance along

construction haul routes, and cumulative increases in construction noise in the LCSD vicinity and along construction haul and delivery routes;

- Project-specific and cumulative air quality from construction emissions of criteria pollutants; and
- Cumulative effects on recreational resources during construction.

The Project is a component of the WSIP and will contribute to the significant and unavoidable water supply impacts of the WSIP. Those significant and unavoidable impacts include:

- Indirect growth inducement impacts in the SFPUC service area;
- Potential effects on water flow along the Alameda Creek below the Alameda Creek Diversion Dam. (NOTE: The Calaveras Dam Replacement Project CEQA analysis has indicated that this impact is no longer considered significant and unavoidable; because the Final EIR for Calaveras has not yet been certified, SFPUC still conservatively assumes that this impact continues to be significant and unavoidable as the WSIP PEIR originally concluded.)

The CEQA Findings contain a Statement of Overriding Considerations justifying Project approval notwithstanding the potential for significant and unavoidable impacts, as authorized by CEQA. The CEQA Findings and MMRP are attached as Attachments A and B, respectively, to the Commission Resolution for this agenda item. Attachment C provides a list of habitat compensation sites where mitigation to compensate for impacts to habitat and species, as identified and discussed in the Final EIR, is likely to occur.

2. Upon approval of the Project, SFPUC staff will proceed to implement the Project, including advertising for construction bids and obtaining necessary agreements and permits. Staff will seek Commission approval to award construction contract(s) at a future date.

3. The Project will involve work in San Mateo County and coordination regarding the San Mateo County Skyline Boulevard Bridge Replacement Project. The Project may require that the SFPUC seek permits, consents and/or other agreements from CalTrans and San Mateo County for various necessary encroachment permits or other permits for temporary construction activities in or around local roadways and trails. These permits shall be consistent with SFPUC existing fee or easement interests, where applicable. In addition, the Project may require that SFPUC negotiate a MOU with San Mateo County addressing construction coordination and reimbursement agreements. To the extent that the terms and conditions of the required permits or instruments will require SFPUC to indemnify

other parties, those indemnity obligations are subject to review and approval by the San Francisco Risk Manager. The Commission Resolution will authorize the General Manager to agree to such other terms and conditions (e.g. maintenance, repair, and relocation of improvements) that are in the public interest, are consistent with the SFPUC's existing rights, 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.

4. For portions of the City-owned SFPUC right-of-way where the Project work will occur, the SFPUC has issued easements, leases, permits, or licenses to certain parties to use the right-of-way for various purposes, and in some instances other parties hold property rights or interests on lands along, over, under, adjacent to or in the vicinity of the right-of-way that may be affected by the Project. The Resolution authorizes the General Manager, or his designee, to (i) exercise any City or SFPUC right under any deed, easement, lease, permit, or license as necessary or advisable in connection with the Project, and (ii) negotiate and execute with owners or occupiers of property interests or utility facilities or improvements, on, along, over, under, adjacent to, or in the vicinity of the SFPUC's right-of-way, new or amended easements, leases, permits, licenses, encroachment removal, or other project related agreements (each, a Use Instrument) with respect to uses and structures, fences, and other above-ground or subterranean improvements or interests, orchards, trees, or other vegetation. The General Manager's authority so granted will include the authority, if necessary for the Project, to enter into, amend, or exercise rights under existing or new Use Instruments with any owner or occupier of property on, along, over, under, adjacent to, or in the vicinity of the SFPUC right-of-way, including Use Instruments required to accommodate project construction activities or schedule, or to implement Project mitigation measures. Any such new or amended Use Instrument will be 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 Commission Resolution, and in compliance with the Charter and all applicable laws, and approved as to form by the City Attorney.

5. Implementation of the Project will involve consultation with, or required approvals by, state and federal regulatory agencies, including but not limited to the following: U.S. Army Corps of Engineers, U.S. Fish & Wildlife Service, National Marine Fisheries Service, California Department of Transportation, State Historic Preservation Officer, California Department of Fish and Game, San Francisco Regional Water Quality Control Board, California Division of Safety of Dams, and Bay Area Air Quality Management District (collectively Regulatory Agencies). The Resolution authorizes the General Manager to apply for, and if necessary, seek Board of Supervisors' approval, and, if approved, accept and execute required approvals by

these Regulatory Agencies. To the extent that the terms and conditions of the required approvals will require SFPUC to indemnify other parties, those indemnity obligations are subject to review and approval by the San Francisco Risk Manager. The Resolution authorizes the General Manager to agree to such 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 required approval, as necessary for the Project. The SFPUC will be required to enter into Agreements with certain Regulatory Agencies to provide financial assurances for: (1) design and implementation of the compensatory mitigation habitat identified in the permits; (2) monitoring and management during the performance period; and (3) repair and replacement of such habitats if necessary during the performance period; in order that the Regulatory Agencies may issue permits to the SFPUC to construct WSIP projects. In addition, the SFPUC intends to manage and monitor the compensatory mitigation habitat projects in perpetuity in accordance with individual project mitigation and monitoring plans and long term management plans. To that end, the SFPUC will be required to enter into agreements to provide the Regulatory Agencies with financial assurances for the management and monitoring of the habitat mitigation projects on an interim and long term basis.

6. Implementation of the compensatory mitigation habitat measures will involve sites developed in consultation with certain state and federal regulatory agencies. Those sites are identified in Attachment C to the Commission's resolution. Potential compensatory mitigation habitat sites are proposed to include locations on SFPUC property but potentially could include locations not currently owned or controlled by the SFPUC. The Resolution authorizes the General Manager, or his designee, to take the following actions to implement compensatory mitigation habitat (collectively, Mitigation Habitat Actions), subject to Commission and Board of Supervisors' approvals, if necessary: (i) exercise any City or SFPUC right under any deed, easement, lease, permit, or license as necessary or advisable to implement Project mitigation, (ii) negotiate and execute new or amended real property agreements for mitigation sites such as purchase agreements, easements, leases, permits, licenses, or other agreements as are necessary or advisable to implement Project mitigation, (iii) negotiate and execute financial assurance instruments with regulatory agencies for implementation of compensatory mitigation habitat, (iv) negotiate and execute conservation easements for implementation of compensatory mitigation habitat, and (v) seek Board of Supervisors' approval of Mitigation Habitat Actions, if required. The General Manager is authorized to agree to such terms and conditions for Mitigation Habitat Actions 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, and are

	<p>reasonable and appropriate for the scope and duration of the required mitigation or regulatory permit approval, as necessary for the Project.</p> <p>7. At the time of Project approval, SFPUC staff anticipates that implementation of the Project is likely to include, but may not be limited to, Mitigation Habitat Actions at the ten sites identified in the Final EIR and included as Attachment C to the Commission's Resolution: (1) Skyline Boulevard, (2) San Andreas Reservoir, (3) Upper San Mateo Creek, (4) Skyline Quarry, (5) Adobe Gulch Creek South, (6) Boat Ramp North, (7) Adobe Gulch, (8) Boat Ramp South, (9) Half Moon Bay/Pilarcitos, and (10) Sherwood Point. These sites were selected and designed using the conservation principles required by the Programmatic Environmental Impact Report (PEIR) and subsequent SFPUC adoption of the PEIR MMRP, which prescribe a coordinated approach in developing mitigation for biological resource impacts of individual WSIP facility projects in order to avoid habitat fragmentation, preserve wildlife movement corridors and allow for plants and wildlife to disperse over large contiguous habitat areas. Therefore it is necessary and appropriate for the SFPUC to implement compensatory mitigation habitat improvements at these sites to minimize overall environmental impacts, and to achieve the overall habitat preservation and creation functions of the site(s), notwithstanding that mitigation at these sites may be in excess of resource agency requirements for the Project or other future SFPUC projects. By authorizing implementation of the full mitigation site(s) in connection with the Project, once approved by the resource agencies, the SFPUC is not making any commitment to approve any other WSIP project or mitigation, nor is it making any determination as to the adequacy of the ten compensation sites as mitigation for any other WSIP project, and the Commission retains its full discretion to consider the environmental documents for other WSIP projects, including but not limited to mitigation measures therein, and to approve or disapprove the project and the compensatory mitigation habitat proposed for impacts resulting from those projects.</p> <p>8. In addition to authorizing the General Manager to take Mitigation Habitat Actions described above in order to identify and implement compensatory mitigation habitat, the Resolution specifically authorizes the following with regard to the ten mitigation sites: (i) request the Board of Supervisors to adopt the Project's CEQA Findings, MMRP, and Statement of Overriding Considerations in connection with funds for the ten mitigation sites, (ii) authorize the General Manager to implement mitigation of the habitat mitigation sites in full, as necessary or advisable to implement the Project, and (iii) advertise construction contracts for the mitigation sites subject to Commission review and approval prior to award at a future date.</p>
Environmental Review:	The San Francisco Planning Commission certified a Final EIR for Project No. CUW35401, on October 7, 2010.

Project No: CUW35401, Lower Crystal Springs Dam Improvements Project
Commission Meeting Date: October 15, 2010

Recommendation:	SFPUC staff recommends that the Commission adopt the attached resolution.
Attachments:	<ol style="list-style-type: none">1. SFPUC Resolution2. Attachment A: CEQA Findings3. Attachment B: Mitigation Monitoring and Reporting Program (MMRP)4. Attachment C: Habitat Compensation Sites

PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. _____

WHEREAS, San Francisco Public Utilities Commission (SFPUC) staff has 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. CUW35401, Lower Crystal Springs Dam Improvements Project (LCSDI Project); and

WHEREAS, SFPUC staff have developed a variant to the LCSDI Project, which is identical to the LCSDI Project except for the inclusion of a minimum water release schedule for San Mateo Creek as part of the variant; and

WHEREAS, By this resolution, the SFPUC intends to approve the variant to the LCSDI Project and, therefore, the variant is referred to herein as the Project; and

WHEREAS, The objectives of the Project are to:

- Complete modifications to the existing LCSD facilities in compliance with the California Department of Water Resources, Division of Safety of Dams (DSOD) directive;
- Restore the historical storage capacity of Crystal Springs Reservoir;
- Improve the SFPUC's water supply delivery capability;
- Help meet the SFPUC's dry-year delivery needs;
- Facilitate planned shutdown of individual facilities for regular maintenance without interrupting customer service;
- Maximize capture of local runoff from the Peninsula watershed;
- Increase water storage on the Peninsula; and

WHEREAS, On October 7, 2010, the Planning Commission reviewed and considered the Final Environmental Impact Report (EIR) on the Project in Planning Department File No. 2006.0536E, consisting of the Draft EIR, the Comments and Responses document and Errata Sheet(s), and found that the contents of said report and the procedures through which the Final EIR 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 Final EIR 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 and errata contain no significant revisions to the Draft EIR, and certified the completion of said Final EIR in compliance with CEQA and the CEQA Guidelines in its Motion No. _____; and

WHEREAS, This Commission has reviewed and considered the information contained in the Final EIR, 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 Final EIR; and

WHEREAS, The Project and Final EIR files have been made available for review by the SFPUC and the public in File No. 2006.0536E, 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. 08-200; and

WHEREAS, The Final EIR 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 Project includes work located in San Mateo County, and SFPUC staff may seek to enter into encroachment permits, consents, or other property agreements for Project construction, including a memorandum of understanding and reimbursement agreements related to construction coordination for San Mateo County's Skyline Boulevard Bridge Replacement project; and

WHEREAS, The Project may require the SFPUC General Manager to obtain various necessary permits, consents, and encroachment permits from CalTrans and San Mateo County and those permits shall be consistent with SFPUC existing fee or easement interests, where applicable; and

WHEREAS, The SFPUC has issued easements, leases, permits, or licenses to certain parties to use for various purposes portions of City-owned property along the SFPUC right-of-way where the Project work will occur, and in some instances other parties hold property rights or interests on lands on, along, over, under, adjacent to, or in the vicinity of the right-of-way, and it may be necessary for the General Manager, or his designee, to (a) exercise rights under any such deed, easement, lease, permit, or license or (b) negotiate and execute new or amended easements, leases, permits, licenses, or encroachment removal or other project related

agreements or consents (each, a Use Instrument) with owners or occupiers of property interests or utility facilities or improvements on, along, over, under, adjacent to, or in the vicinity of, City property with respect to uses and structures, fences, and other above-ground or subterranean improvements or interests, orchards, trees, or other vegetation, or to implement Project mitigation measures or accommodate Project construction activities and schedule; and

WHEREAS, Implementation of the Project will involve consultation with, or obtaining required approvals by, state and federal regulatory agencies, including but not limited to the following: U.S. Army Corps of Engineers, U.S. Fish and Wildlife Service, National Marine Fisheries Service, California Department of Transportation, State Historic Preservation Officer, California Department of Fish and Game, California Department of Water Resources - Division of Safety of Dams, San Francisco Bay Regional Water Quality Control Board, and Bay Area Air Quality Management District; and

WHEREAS, Implementation of compensatory mitigation habitat measures will involve sites developed in consultation with state and federal regulatory agencies, proposed to include sites on SFPUC property but potentially including locations not currently owned or controlled by the SFPUC, and it may be necessary or advisable for the General Manager, or his designee, to take the following actions to implement compensatory mitigation habitat (collectively, Mitigation Habitat Actions): (a) exercise any City or SFPUC right under any deed, easement, lease, permit, or license as necessary or advisable to implement compensatory mitigation habitat; (b) negotiate and execute new or amended real property agreements for compensatory mitigation habitat sites such as purchase agreements, easements, leases, permits, licenses, or other agreements as are necessary or advisable to implement Project mitigation; (c) negotiate and execute financial assurance instruments with regulatory agencies for (1) design and implementation of the compensatory mitigation habitat, (2) monitoring and management during the performance period, (3) repair and replacement of such habitats if necessary during the performance period, and (4) management and monitoring the habitat mitigation projects in perpetuity in accordance with individual project mitigation and monitoring plans and long term management plans on an interim and long term basis, if necessary; (d) negotiate and prepare conservation easements for implementation of compensatory mitigation habitat, if necessary; and (e) seek Board of Supervisors' approval of Mitigation Habitat Actions, if necessary; and

WHEREAS, Implementation of the Project may include Mitigation Habitat Actions at the following sites: Skyline Boulevard, San Andreas Reservoir, Upper San Mateo Creek, Skyline Quarry, Adobe Gulch Creek South, Boat Ramp North, Adobe Gulch, Boat Ramp South, Half Moon Bay/Pilarcitos, and Sherwood Point (collectively, Habitat Compensation Sites), identified in Attachment C to this Resolution; and

WHEREAS, If the SFPUC Commission approves and resource agencies issue final permits for the Project, including full implementation of the compensatory mitigation at the Habitat Compensation Sites, it would be necessary and appropriate for the SFPUC to implement all habitat improvements planned for the full site(s) as part of the Project in order to maximize habitat area creation, minimize overall environmental impacts, and achieve the overall habitat preservation and creation functions of the site(s), notwithstanding that mitigation at these sites

may be in excess of regulatory agency requirements for the Project or other future SFPUC projects; and

WHEREAS, The Habitat Compensation Sites address the conservation principles required by the PEIR and SFPUC approval of the WSIP, which prescribe a coordinated approach in developing mitigation for biological resource impacts of individual WSIP facility projects in order to avoid habitat fragmentation, preserve wildlife movement corridors, and allow for plants and wildlife to disperse over large contiguous habitat areas; and therefore, full implementation of each individual site is required; and

WHEREAS, By authorizing full implementation of the habitat improvements in connection with the Project, if approved by the regulatory agencies, the SFPUC is not making any commitment to approve any other WSIP project or mitigation, nor is it making any determination as to the adequacy of the Habitat Compensation Sites as mitigation for any other WSIP project, and the Commission retains its full discretion to consider the environmental documents for other WSIP projects, including but not limited to mitigation measures, and to approve or disapprove the project and the habitat mitigation proposed for impacts resulting from those projects; and

WHEREAS, Implementation of habitat mitigation sites may require the General Manager to negotiate and execute instruments for financial assurances concerning compensatory mitigation habitat with regulatory agencies; and

WHEREAS, As a condition of Project approval, the SFPUC intends to adopt restrictions on operations of Lower Crystal Springs Dam and Reservoir that will apply upon completion of the Project; and

WHEREAS, As a result of implementing a minimum release schedule for the proposed fishery flow to San Mateo Creek, in combination with proposed fishery flows in Alameda and Calaveras Creeks, the SFPUC may not be able to meet the adopted WSIP water supply objectives between 2013 and 2018 without a reduction in demand, demand management, increased rationing and/or a supplemental water supply. The minimum release schedule and water supply issues are discussed in the SFPUC memorandum dated August 10, 2010, and included in the files for this Project. The effects of this possible change in water supply are also discussed in the Project Variant Chapter of the Final EIR (see Responses to Comments, Chapter 3, Project Variant); therefore, be it

RESOLVED, This Commission has reviewed and considered the Final EIR, finds that the Final EIR 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 the Project, also known as Project No. CUW35401, Lower Crystal Springs Dam Improvements Project, and authorizes SFPUC 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 construction contract(s); and be it

FURTHER RESOLVED, That this Commission hereby adopts future operating requirements for Lower Crystal Springs Dam and Reservoir as set forth in the July 22, 2010, SFPUC staff memorandum entitled "Operations of Crystal Springs Reservoir Before and After Lower Crystal Springs Dam Improvements Project and Minimum Instream Flow Requirement for San Mateo Creek" (July 2010 Operations Memo) a copy of which is included in the Project file and incorporated by reference as though fully set forth herein; and be it

FURTHER RESOLVED, That this Commission specifically authorizes implementation of a minimum water release schedule for fisheries releases into San Mateo Creek, as expected to be required as part of the regulatory permits for this Project and as analyzed in the Final EIR, provided that this authorization shall not limit the General Manager's authority under this resolution to negotiate, accept, and execute permits or required approvals by state and federal regulatory agencies in order to implement this Project; and be it

FURTHER RESOLVED, That this Commission directs staff to continue monitoring water supply and demand to determine whether the Commission should consider additional water supply strategies to meet demand up to 2018; and be it

FURTHER RESOLVED, That this Commission does not authorize the General Manager to deviate from water supply levels of service adopted as part of the Phased WSIP, and SFPUC staff shall confer with the Commission if conditions necessitate consideration of additional water supply reliability strategies prior to 2018; and be it

FURTHER RESOLVED, The General Manager will confer with the Commission during the negotiation process on real estate agreements and financial assurances, as necessary, and report to the Commission on all agreements submitted to the Board of Supervisors for approval. Notwithstanding the authority granted to the General Manager by this Resolution, the General Manager is not authorized to dispose of any right-of-way or other SFPUC interest in real property, in any manner, including by sale, trade, or transfer, without approval by the SFPUC pursuant to Charter Section 8B124; and be it

FURTHER RESOLVED, That this Commission authorizes the General Manager, or his designee, to apply for and execute various necessary permits, encroachment permits, or other agreements with CalTrans and San Mateo County, which shall be consistent with SFPUC's existing fee or easement interests, where applicable. To the extent that the terms and conditions of the permits or agreements 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, or his designee, to exercise any right as necessary under any deed or Use Instrument and negotiate and execute new or amended Use Instruments, if necessary for the Project and subject to any applicable approvals, with owners or occupiers of property interests or utility facilities or improvements on, along, over, under, adjacent to, or in the vicinity of the SFPUC right-of-way, in a form that the General Manager determines is in the public interest and is acceptable, necessary, and advisable to accommodate Project construction activities and schedule, carry out Project-related mitigation measures, and to otherwise effectuate the purposes and intent of this Resolution, in compliance with the Charter and all applicable laws, and in such form approved by the City Attorney; and be it

FURTHER RESOLVED, That this Commission authorizes the General Manager, or his designee, to exercise any right as necessary to negotiate and execute new or amended memoranda of understanding (MOU), or financial reimbursement arrangements, if necessary for the Project and subject to any applicable approvals, with San Mateo County regarding coordination of the Project with the San Mateo County Skyline Boulevard Bridge Replacement project, in a form that the General Manager determines is in the public interest and is acceptable, necessary, and advisable to accommodate Project construction activities and schedule, carry out Project-related mitigation measures, and to otherwise effectuate the purposes and intent of this Resolution, in compliance with the Charter and all applicable laws, and in such form approved by the City Attorney; 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, and to execute such other agreements as may be necessary to implement terms and conditions or otherwise comply with the requirements imposed by state and federal regulatory agencies, including but not limited to: U.S. Army Corps of Engineers, U.S. Fish and Wildlife Service, National Marine Fisheries Service, California Department of Transportation, State Historic Preservation Officer, California Department of Fish and Game, California Division of Safety of Dams, San Francisco Bay Regional Water Quality Control Board, and Bay Area Air Quality Management District, 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 carry out Mitigation Habitat Actions that the General Manager determines are in the public interest and are acceptable, necessary, and advisable to accommodate Project construction activities and schedule, carry out Project-related compensatory mitigation habitat measures, including full implementation of the individual Habitat Compensation Sites if any such sites are selected and approved for Project mitigation in consultation with regulatory agencies, and to otherwise effectuate the purposes and intent of this Resolution, in compliance with the Charter and all applicable laws, and in such form approved by the City Attorney; and be it

FURTHER RESOLVED, That this Commission authorizes the General Manager to work with the Director of Real Estate to accept and execute the real property agreements authorized herein, subject to obtaining Board approval, if required; 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, and other Use Instruments, real property agreements, financial assurances, transmission agreements, or amendments thereto, as described herein, that the General Manager, in consultation with 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, subject to Board of Supervisors' approval, where required, 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 October 15, 2010

Secretary, Public Utilities Commission

PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. 10-0175

WHEREAS, San Francisco Public Utilities Commission (SFPUC) staff has 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. CUW35401, Lower Crystal Springs Dam Improvements Project (LCSDI Project); and

WHEREAS, SFPUC staff have developed a variant to the LCSDI Project, which is identical to the LCSDI Project except for the inclusion of a minimum water release schedule for San Mateo Creek as part of the variant; and

WHEREAS, By this resolution, the SFPUC intends to approve the variant to the LCSDI Project and, therefore, the variant is referred to herein as the Project; and

WHEREAS, The objectives of the Project are to:

- Complete modifications to the existing LCSD facilities in compliance with the California Department of Water Resources, Division of Safety of Dams (DSOD) directive;
- Restore the historical storage capacity of Crystal Springs Reservoir;
- Improve the SFPUC's water supply delivery capability;
- Help meet the SFPUC's dry-year delivery needs;
- Facilitate planned shutdown of individual facilities for regular maintenance without interrupting customer service;
- Maximize capture of local runoff from the Peninsula watershed;
- Increase water storage on the Peninsula; and

WHEREAS, On October 7, 2010, the Planning Commission reviewed and considered the Final Environmental Impact Report (EIR) on the Project in Planning Department File No. 2006.0536E, consisting of the Draft EIR, the Comments and Responses document and Errata Sheet(s), and found that the contents of said report and the procedures through which the Final EIR 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 Final EIR 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 and errata contain no significant revisions to the Draft EIR, and certified the completion of said Final EIR in compliance with CEQA and the CEQA Guidelines in its Motion No. 18189; and

WHEREAS, This Commission has reviewed and considered the information contained in the Final EIR, 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 Final EIR; and

WHEREAS, The Project and Final EIR files have been made available for review by the SFPUC and the public in File No. 2006.0536E, 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. 08-200; and

WHEREAS, The Final EIR 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 Project includes work located in San Mateo County, and SFPUC staff may seek to enter into encroachment permits, consents, or other property agreements for Project construction, including a memorandum of understanding and reimbursement agreements related to construction coordination for San Mateo County's Skyline Boulevard Bridge Replacement project; and

WHEREAS, The Project may require the SFPUC General Manager to obtain various necessary permits, consents, and encroachment permits from CalTrans and San Mateo County and those permits shall be consistent with SFPUC existing fee or easement interests, where applicable; and

WHEREAS, The SFPUC has issued easements, leases, permits, or licenses to certain parties to use for various purposes portions of City-owned property along the SFPUC right-of-way where the Project work will occur, and in some instances other parties hold property rights or interests on lands on, along, over, under, adjacent to, or in the vicinity of the right-of-way, and it may be necessary for the General Manager, or his designee, to (a) exercise rights under any such deed, easement, lease, permit, or license or (b) negotiate and execute new or amended easements, leases, permits, licenses, or encroachment removal or other project related

agreements or consents (each, a Use Instrument) with owners or occupiers of property interests or utility facilities or improvements on, along, over, under, adjacent to, or in the vicinity of, City property with respect to uses and structures, fences, and other above-ground or subterranean improvements or interests, orchards, trees, or other vegetation, or to implement Project mitigation measures or accommodate Project construction activities and schedule; and

WHEREAS, Implementation of the Project will involve consultation with, or obtaining required approvals by, state and federal regulatory agencies, including but not limited to the following: U.S. Army Corps of Engineers, U.S. Fish and Wildlife Service, National Marine Fisheries Service, California Department of Transportation, State Historic Preservation Officer, California Department of Fish and Game, California Department of Water Resources - Division of Safety of Dams, San Francisco Bay Regional Water Quality Control Board, and Bay Area Air Quality Management District; and

WHEREAS, Implementation of compensatory mitigation habitat measures will involve sites developed in consultation with state and federal regulatory agencies, proposed to include sites on SFPUC property but potentially including locations not currently owned or controlled by the SFPUC, and it may be necessary or advisable for the General Manager, or his designee, to take the following actions to implement compensatory mitigation habitat (collectively, Mitigation Habitat Actions): (a) exercise any City or SFPUC right under any deed, easement, lease, permit, or license as necessary or advisable to implement compensatory mitigation habitat; (b) negotiate and execute new or amended real property agreements for compensatory mitigation habitat sites such as purchase agreements, easements, leases, permits, licenses, or other agreements as are necessary or advisable to implement Project mitigation; (c) negotiate and execute financial assurance instruments with regulatory agencies for (1) design and implementation of the compensatory mitigation habitat, (2) monitoring and management during the performance period, (3) repair and replacement of such habitats if necessary during the performance period, and (4) management and monitoring the habitat mitigation projects in perpetuity in accordance with individual project mitigation and monitoring plans and long term management plans on an interim and long term basis, if necessary; (d) negotiate and prepare conservation easements for implementation of compensatory mitigation habitat, if necessary; and (e) seek Board of Supervisors' approval of Mitigation Habitat Actions, if necessary; and

WHEREAS, Implementation of the Project may include Mitigation Habitat Actions at the following sites: Skyline Boulevard, San Andreas Reservoir, Upper San Mateo Creek, Skyline Quarry, Adobe Gulch Creek South, Boat Ramp North, Adobe Gulch, Boat Ramp South, Half Moon Bay/Pilarcitos, and Sherwood Point (collectively, Habitat Compensation Sites), identified in Attachment C to this Resolution; and

WHEREAS, If the SFPUC Commission approves and resource agencies issue final permits for the Project, including full implementation of the compensatory mitigation at the Habitat Compensation Sites, it would be necessary and appropriate for the SFPUC to implement all habitat improvements planned for the full site(s) as part of the Project in order to maximize habitat area creation, minimize overall environmental impacts, and achieve the overall habitat preservation and creation functions of the site(s), notwithstanding that mitigation at these sites

may be in excess of regulatory agency requirements for the Project or other future SFPUC projects; and

WHEREAS, The Habitat Compensation Sites address the conservation principles required by the PEIR and SFPUC approval of the WSIP, which prescribe a coordinated approach in developing mitigation for biological resource impacts of individual WSIP facility projects in order to avoid habitat fragmentation, preserve wildlife movement corridors, and allow for plants and wildlife to disperse over large contiguous habitat areas; and therefore, full implementation of each individual site is required; and

WHEREAS, By authorizing full implementation of the habitat improvements in connection with the Project, if approved by the regulatory agencies, the SFPUC is not making any commitment to approve any other WSIP project or mitigation, nor is it making any determination as to the adequacy of the Habitat Compensation Sites as mitigation for any other WSIP project, and the Commission retains its full discretion to consider the environmental documents for other WSIP projects, including but not limited to mitigation measures, and to approve or disapprove the project and the habitat mitigation proposed for impacts resulting from those projects; and

WHEREAS, Implementation of habitat mitigation sites may require the General Manager to negotiate and execute instruments for financial assurances concerning compensatory mitigation habitat with regulatory agencies; and

WHEREAS, As a condition of Project approval, the SFPUC intends to adopt restrictions on operations of Lower Crystal Springs Dam and Reservoir that will apply upon completion of the Project; and

WHEREAS, As a result of implementing a minimum release schedule for the proposed fishery flow to San Mateo Creek, in combination with proposed fishery flows in Alameda and Calaveras Creeks, the SFPUC may not be able to meet the adopted WSIP water supply objectives between 2013 and 2018 without a reduction in demand, demand management, increased rationing and/or a supplemental water supply. The adopted WSIP deferred a decision regarding long-term water supply after 2018 and through 2030 until the SFPUC undertook further water supply planning and demand analysis. The adopted WSIP thus anticipated that this Commission would consider the issue of water supply again in 2018. The minimum release schedule and water supply issues are discussed in the SFPUC memorandum dated August 10, 2010, and included in the files for this Project. The effects of this possible change in water supply are also discussed in the Project Variant Chapter of the Final EIR (see Responses to Comments, Chapter 3, Project Variant); therefore, be it

RESOLVED, This Commission has reviewed and considered the Final EIR, finds that the Final EIR 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 the Project, also known as Project No. CUW35401, Lower Crystal Springs Dam Improvements Project, and authorizes SFPUC 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 construction contract(s); and be it

FURTHER RESOLVED, That this Commission hereby adopts future operating requirements for Lower Crystal Springs Dam and Reservoir as set forth in the July 22, 2010, SFPUC staff memorandum entitled "Operations of Crystal Springs Reservoir Before and After Lower Crystal Springs Dam Improvements Project and Minimum Instream Flow Requirement for San Mateo Creek" (July 2010 Operations Memo) a copy of which is included in the Project file and incorporated by reference as though fully set forth herein; and be it

FURTHER RESOLVED, That this Commission specifically authorizes implementation of a minimum water release schedule for fisheries releases into San Mateo Creek, as expected to be required as part of the regulatory permits for this Project and as analyzed in the Final EIR, provided that this authorization shall not limit the General Manager's authority under this resolution to negotiate, accept, and execute permits or required approvals by state and federal regulatory agencies in order to implement this Project; and be it

FURTHER RESOLVED, That this Commission directs staff to (1) continue monitoring water supply and demand to determine whether the Commission should consider additional water supply strategies to meet demand up to 2018, (2) provide to this Commission for its consideration the Interim Supply Allocation in December 2010 in accordance with its existing contractual obligations, and (3) provide information to the Commission and the public by March 31, 2011 on how the SFPUC has the capability to attain its water supply levels of services and contractual obligations; and be it

FURTHER RESOLVED, That this Commission does not authorize the General Manager to deviate from water supply levels of service adopted as part of the Phased WSIP, and SFPUC staff shall confer with the Commission regarding additional water supply reliability strategies if conditions necessitate consideration of such strategies prior to 2018; and be it

FURTHER RESOLVED, The General Manager will confer with the Commission during the negotiation process on real estate agreements and financial assurances, as necessary, and report to the Commission on all agreements submitted to the Board of Supervisors for approval. Notwithstanding the authority granted to the General Manager by this Resolution, the General Manager is not authorized to dispose of any right-of-way or other SFPUC interest in real property, in any manner, including by sale, trade, or transfer, without approval by the SFPUC pursuant to Charter Section 8B124; and be it

FURTHER RESOLVED, That this Commission authorizes the General Manager, or his designee, to apply for and execute various necessary permits, encroachment permits, or other agreements with CalTrans and San Mateo County, which shall be consistent with SFPUC's

existing fee or easement interests, where applicable. To the extent that the terms and conditions of the permits or agreements 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, or his designee, to exercise any right as necessary under any deed or Use Instrument and negotiate and execute new or amended Use Instruments, if necessary for the Project and subject to any applicable approvals, with owners or occupiers of property interests or utility facilities or improvements on, along, over, under, adjacent to, or in the vicinity of the SFPUC right-of-way, in a form that the General Manager determines is in the public interest and is acceptable, necessary, and advisable to accommodate Project construction activities and schedule, carry out Project-related mitigation measures, and to otherwise effectuate the purposes and intent of this Resolution, in compliance with the Charter and all applicable laws, and in such form approved by the City Attorney; and be it

FURTHER RESOLVED, That this Commission authorizes the General Manager, or his designee, to exercise any right as necessary to negotiate and execute new or amended memoranda of understanding (MOU), or financial reimbursement arrangements, if necessary for the Project and subject to any applicable approvals, with San Mateo County regarding coordination of the Project with the San Mateo County Skyline Boulevard Bridge Replacement project, in a form that the General Manager determines is in the public interest and is acceptable, necessary, and advisable to accommodate Project construction activities and schedule, carry out Project-related mitigation measures, and to otherwise effectuate the purposes and intent of this Resolution, in compliance with the Charter and all applicable laws, and in such form approved by the City Attorney; 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, and to execute such other agreements as may be necessary to implement terms and conditions or otherwise comply with the requirements imposed by state and federal regulatory agencies, including but not limited to: U.S. Army Corps of Engineers, U.S. Fish and Wildlife Service, National Marine Fisheries Service, California Department of Transportation, State Historic Preservation Officer, California Department of Fish and Game, California Division of Safety of Dams, San Francisco Bay Regional Water Quality Control Board, and Bay Area Air Quality Management District, 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 carry out Mitigation Habitat Actions that the General Manager determines are in the public interest and are acceptable, necessary, and advisable to accommodate Project construction activities and schedule, carry out Project-related compensatory mitigation habitat measures, including full implementation of the individual Habitat Compensation Sites if any such sites are selected and approved for Project mitigation in consultation with regulatory agencies, and to otherwise effectuate the purposes and intent of this Resolution, in compliance with the Charter and all applicable laws, and in such form approved by the City Attorney; and be it

FURTHER RESOLVED, That this Commission authorizes the General Manager to work with the Director of Real Estate to accept and execute the real property agreements authorized herein, subject to obtaining Board approval, if required; 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, and other Use Instruments, real property agreements, financial assurances, transmission agreements, or amendments thereto, as described herein, that the General Manager, in consultation with 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, subject to Board of Supervisors' approval, where required, such determination to be conclusively evidenced by the execution and delivery of any such additions, amendments, or other modifications; and be it

FURTHER RESOLVED, That this Commission urges the General Manager to proceed with due haste on the items he agreed to in his October 12, 2010 letter to the Town of Hillsborough, and directs the General Manager to report back to the Commission on the implementation of commitments made to the Town of Hillsborough.

I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of _____ *October 15, 2010*

A handwritten signature in black ink, appearing to read "Michael O. Haul", written over a horizontal line.

Secretary, Public Utilities Commission

ATTACHMENT A

LOWER CRYSTAL SPRINGS DAM IMPROVEMENTS 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 Lower Crystal Springs Dam Improvements ("LCSDI") Project" described in Section I, Project Description below, the San Francisco Public Utilities Commission ("SFPUC" or "Commission") makes and adopts the following findings of fact and decisions regarding the Project description and objectives, significant impacts, 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. These findings comprise **Attachment A** to SFPUC Resolution No. [REDACTED] ("SFPUC Approval Resolution"), dated October XX, 2010. The SFPUC adopts these findings as part of the SFPUC Approval Resolution and has incorporated these findings therein by reference.

This document is organized as follows:

Section I provides a description of the Project proposed for adoption (including components of the Project), the environmental review process for the Project, 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 the 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 its rejection of the alternatives not incorporated into the Project.

The Mitigation Monitoring and Reporting Program ("MMRP") containing the mitigation measures that have been proposed for adoption is attached as **Attachment B** to the SFPUC Approval Resolution. The MMRP is required by CEQA Section 21081.6 and CEQA Guidelines Section 15091. The MMRP provides a table setting forth each mitigation measure listed in the Final Environmental Impact Report for

**ATTACHMENT B
LOWER CRYSTAL SPRINGS DAM IMPROVEMENTS PROJECT (MEA CASE NO. 2006.0536E) - MITIGATION MONITORING AND REPORTING PROGRAM**

Impact No.	Impact Summary	Mitigation Measure	Location		Implementation and Reporting		Monitoring and Reporting Actions	Implementation Schedule		
			LCSA Site	Sampling Station	Watershed	Responsible Party			Reviewing and Approval Party	
LAND USE	LU-1 Temporary disruption or displacement of existing land uses during construction.	<p>Mitigation Measure M-LU-1a: Neighborhood Notice</p> <p>The SFPUC or its contractor shall provide 14-day advance notice by mail to all facilities, tenants, and property owners within the Peninsula watershed and within 1,500 feet of project construction zones. The notice will also be posted near the project sites and at nearby recreational facilities. The notice shall state the construction location, nature of activities, and schedule. The notice shall indicate alternative traffic and bicycle routes and provide suggestions for avoiding traffic delays and reducing the effects of construction-related noise as well as dust and exhaust emissions (e.g., planning alternative schedules, closing windows facing the planned construction sites).</p> <p>The SFPUC shall identify and provide a public liaison officer before and during construction to respond to the concerns of nearby residences, recreationists, and other potentially affected land uses. Procedures for contacting the public liaison officer via a toll-free telephone number, email, or in person shall be included in the notices. Prior to construction, the SFPUC communications manager, resident engineer, and construction manager shall develop procedures for receiving and responding to questions and complaints. This effort shall be coordinated with Mitigation Measures M-AE-2 (Site-Specific Construction Lighting Plan and Complaint Line) and M-NO-1 (Administrative and Source Controls), which also requires that the SFPUC develop procedures for receiving and responding to questions and complaints from the public.</p>	X	X		1) SFPUC EMB 2) SFPUC Communications 3) CM Team 4) SFPUC Communications	1) SFPUC BEM 2) CM Team 3) CM Team 4) SFPUC BEM	1) Ensure that the contract documents include the requirement to post notices at the project site and nearby recreational facilities and to provide advance notice of construction start date to the SFPUC so that SFPUC Communications can mail notices. 2) Develop a neighborhood notice program and ensure that it complies with all requirements, including identifying a public liaison officer, developing procedures for receiving and responding to questions and complaints, and coordinating with the notice with requirements of the construction lighting and noise control plans. 3) Provide Contractor's schedule to SFPUC Communications if they are providing notifications. Monitor to ensure that contractor implements measures in contract documents, report noncompliance, and ensure corrective action. 4) Provide notifications as required in advance of construction activities. Maintain records of notifications. Ensure public questions and complaints are responded to and corrective actions taken as needed.	1) Design 2) Preconstruction 3) Preconstruction 4) Construction	
				X			1) CM Team 2) SFPUC Communications 3) SFPUC NRLMD	1) SFPUC BEM 2) SFPUC BEM 3) SFPUC BEM	1) Notify SFPUC NRLMD of construction schedule a minimum of 6 months prior to the start of construction to avoid scheduling special events during construction. 2) Post signage at the Pulgas Water Temple prior to construction. 3) Restrict special events during construction	1) Preconstruction 2) Preconstruction 3) Construction
						X				

USFWS = U.S. Fish and Wildlife Service
 CDFG = California Department of Fish and Game
 RWQCB = California Regional Water Quality Control Board
 BAAQMD = Bay Area Air Quality Management District

SFPUC = San Francisco Public Utilities Commission
 CM Team = (SFPUC) Construction Management Team
 EMB = (SFPUC) Engineering Management Bureau
 BEM = (SFPUC) Bureau of Environmental Management

NRLMD = (SFPUC) Natural Resources and Lands Management Division
 Communications = (SFPUC) Communications Department
 PMB = (SFPUC) Project Management Bureau

ERO = (SF Planning Department) Environmental Review Officer
 MEA = (SF Planning Department) Major Environmental Analysis Division

ATTACHMENT C: HABITAT COMPENSATION SITES, LOWER CRYSTAL SPRINGS DAM IMPROVEMENTS PROJECT

Site Code	Name and Location	Type of Mitigation Available for LCSDI Project	Current Status of Site	Project Components
MS-1	Skyline Boulevard Approximately 8 acres at the northern portion of San Andreas Reservoir in the Peninsula watershed, west of the Skyline Boulevard and San Bruno Avenue intersection.	<ul style="list-style-type: none"> wetland habitat scrub habitat pond habitat 	Contains non-native pine and eucalyptus trees and non-native velvet grass and other non-native grasslands surrounded by native scrub habitat. A small seasonal wetland exists in the southern portion of the site where a paved fire road partially dams a small drainage. Site has been degraded by historical land uses and the presence of invasive non-native species.	<ul style="list-style-type: none"> Remove one acre of non-native eucalyptus and plant with scrub vegetation. Remove pine trees and other non-native vegetation and replace with scrub and seasonal wetland vegetation. Construct seasonal wetlands and ponds in the non-native grassland. Construct new access roads.
MS-2	San Andreas Reservoir Approximately 19 acres located on the northwest end of San Andreas Reservoir in the Peninsula watershed.	<ul style="list-style-type: none"> grasslands riparian habitat scrub habitat wetland habitat pond habitat 	Site is dominated by scrub and non-native grassland habitats which are abundant in the surrounding area.	<ul style="list-style-type: none"> Remove existing non-native grassland and scrub vegetation. Excavate and plant wetland vegetation in wetland and pond creation area. Improve portions of existing fire road. Install concrete mats at dips in the fire road for erosion control.
MS-3	Upper San Mateo Creek Approximately 3 acres located in the northwest portion of the Peninsula watershed approximately two miles northwest of Lower Crystal Springs Reservoir along Trousdale Boulevard.	<ul style="list-style-type: none"> wetland habitat grasslands pond habitat 	Contains stands of non-native pine trees surrounded by scrub habitat and non-native grasslands. Past development has degraded the site and facilitated the invasion of the non-native pines.	<ul style="list-style-type: none"> Remove non-native pine trees. For wetland creation areas, excavate and grade to create wetland basins, ponds and swales. Construct inlet weirs and outlet structures in wetland creation areas. Rehabilitate existing culverts that conveys water to San Mateo Creek. Utilize spoils from grading to construct berm on western side of wetland area along existing road. Plant native wetland vegetation in wetland area and native grassland species in upland areas; seed graded areas with an erosion-control mix.

ATTACHMENT C: HABITAT COMPENSATION SITES, LOWER CRYSTAL SPRINGS DAM IMPROVEMENTS PROJECT

Site Code*	Name and Location	Type of Mitigation Available for LCSDI Project	Current Status of Site	Project Components
MS-4	Skyline Quarry Approximately 2 acres located north of Highway 92 in the western portion of the Peninsula watershed, and adjacent to the Fifield-Cahill Ridge Trail trailhead.	<ul style="list-style-type: none"> • riparian habitat • scrub habitat • wetland habitat 	Contains trailhead, parking lot, restroom facilities, an unnamed intermittent stream channel, its active floodplains, and portions of adjacent upland landforms within the footprint of a former quarry. Past mining activities and invasion of non-native pampas grass on the site have degraded seasonal wetland and riparian habitat.	<ul style="list-style-type: none"> • Remove non-native pampas grass using mechanical and manual methods and herbicides. • Excavate mine tailings and plant with native wetland scrub vegetation. • Replace existing culvert located southwest of riparian enhancement area and replace culvert at a higher elevation. • Enhance riparian through grading and planting of riparian vegetation. • Reduce size of existing parking lot and relocate trailhead and restroom facilities.
MS-5	Adobe Gulch Creek South Approximately 3 acres in the southwestern portion of the Peninsula watershed.	<ul style="list-style-type: none"> • woodlands • wetland habitat • riparian habitat 	Contains 3 acres of non-native eucalyptus trees adjacent to Adobe Gulch Creek and some riparian vegetation.	<ul style="list-style-type: none"> • Remove vegetation, excavate and grade a shallow depression, and plant native wetland vegetation in wetland creation area. • Install outlet channel to drain proposed wetland into Adobe Gulch Creek. • Stabilize Adobe Gulch Creek stream bank using bioengineering methods and planting native riparian trees and shrubs. • In oak woodland creation and enhancement area, remove up to 3 acres of selected eucalyptus trees. Grade and hydroseed tree removal area. • Plant oak trees and install temporary browse protection fencing. • Relocate existing staging areas further from riparian habitat.
MS-6	Boat Ramp North Approximately 0.5 acre located directly upslope of the existing access road to a SFPUC boat launch west of Skyline Boulevard in the	<ul style="list-style-type: none"> • wetland habitat 	Contains a seasonal wetland formed by the impoundment of runoff by the roadway embankment.	<ul style="list-style-type: none"> • Excavate grasslands and remove non-native vegetation near existing seasonal wetlands. • Raise access road to improve drainage and replace existing culvert with a larger culvert to provide for wildlife passage.

ATTACHMENT C: HABITAT COMPENSATION SITES, LOWER CRYSTAL SPRINGS DAM IMPROVEMENTS PROJECT

Site Code*	Name and Location	Type of Mitigation Available for LCSDI Project	Current Status of Site	Project Components
	eastern portion of the Peninsula watershed next to Lower Crystal Springs Reservoir, about ¼ mile north of Highway 92.			<ul style="list-style-type: none"> Plant native wetland vegetation.
MS-7	Adobe Gulch Approximately 60 acres near Highway 92 in the southwestern portion of the Peninsula watershed, on the west side of Upper Crystal Springs Reservoir.	<ul style="list-style-type: none"> oak woodland wetland habitat pond habitat riparian 	Largely consists of scrub habitat, coyote brush, poison oak, and small trees.	<ul style="list-style-type: none"> Remove poison oak and coyote brush using mechanical means, goat grazing, manual removal, and/or herbicides. Remove non-native cypress trees and plant oak trees within tree removal area. Install temporary browse protection, irrigation pipeline and water storage tank for new oak trees. For wetland creation area, remove vegetation, excavate shallow depressions, and plant native wetland vegetation. Decommission existing access road within riparian habitat and ephemeral and intermittent drainage, restore area, relocate road to less impactful area.
MS-8	Boat Ramp South Approximately 28 acres adjacent to Skyline Boulevard in the eastern portion of the Peninsula watershed next to Lower Crystal Springs Reservoir, about ¼ mile north of Highway 92.	<ul style="list-style-type: none"> woodlands wetland habitat riparian habitat scrub habitat grasslands 	Contains non-native pine trees, grasslands, and shrubs.	<ul style="list-style-type: none"> Remove non-native pine trees. Plant fountain thistle and native grassland species. Manage fountain thistle enhancement and grassland areas through tree and brush control, active seeding, or out-planting of fountain thistle and butterfly host species.
MS-9	Half Moon Bay / Pilarcitos Approximately 15 acres in the City of Half Moon Bay, adjacent to and south of Highway 92, within the historic floodplain of Pilarcitos Creek.	<ul style="list-style-type: none"> wetlands/pond riparian habitat 	Currently used as a corporation yard for Half Moon Bay Public Works. The site contains agricultural plots covered in black plastic tarp that are surrounded by irrigation ditches and gravel roads, which are all remnants of the former ornamental plant nursery at the site. The site also contains buildings and structures that appear to be older than 50 years---the minimum age threshold for potential eligibility for the National Register of Historic Places.	<ul style="list-style-type: none"> Remove existing structures, concrete pad, and paved and gravel roadways. Remove non-native vegetation. Excavate pond area to capture runoff, and regrade site. Install temporary irrigation. Plant riparian plants.

ATTACHMENT C: HABITAT COMPENSATION SITES, LOWER CRYSTAL SPRINGS DAM IMPROVEMENTS PROJECT

Site Code*	Name and Location	Type of Mitigation Available for LCSDI Project	Current Status of Site	Project Components
MS-10	<p>Sherwood Point</p> <p>Approximately 3 acres located on the southern terminus of Portola Road on the northern end of Lower Crystal Springs Reservoir.</p>	<ul style="list-style-type: none"> oak woodland wetland habitat 	Currently comprised of non-native eucalyptus, needle grass grassland, non-native grassland, 2 small seasonal wetlands and barren ground.	<ul style="list-style-type: none"> Remove non-natives along Sherwood Pt that are encroaching into adjacent native habitats. Restore native oak woodland. Creation of seasonal wetland along the fringe of the reservoir.



SAN FRANCISCO PLANNING DEPARTMENT

MEMO

DATE: October 7, 2010
TO: San Francisco Planning Commission
FROM: Erika Lovejoy, San Francisco Planning Department
RE: Errata for Lower Crystal Springs Dam Improvements Project EIR,
Case No. 2006.0536E; Certification Hearing October 7, 2010

1650 Mission St.
Suite 400
San Francisco,
CA 94103-2479

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Attached are the errata to the Environmental Impact Report (EIR) for the San Francisco Public Utilities Commission's Lower Crystal Springs Dam Improvements Project. The purpose of the errata is to correct editorial errors in the EIR; it provides no new information. The Final EIR, which consists of the Draft EIR in combination with the Comments and Responses document, is scheduled for certification at a hearing before the Planning Commission on October 7, 2010.

The Comments and Responses document provided updated and revised text to reflect the adoption of new CEQA Guidelines by the Bay Area Air Quality Management District on June 2, 2010, subsequent to the publication of the Draft EIR on March 2, 2010. The updated and revised text is presented in Chapter 3, Section 3.3, Environmental Effects of LCSDI Variant (page C&R-23), and in Chapter 5, Section 5.2, Text Revisions (pages C&R-204 to C&R-219). Due to an editorial oversight, these changes were not made in the applicable summary tables in the EIR, and the errata present the corrected information for the summary tables.

The errata apply to pages C&R-42, C&R-198, C&R-209, and C&R-266 in the Comments and Responses document. Note that the errata on page C&R-42 apply only to the Comments and Responses document, but the errata on pages C&R-198, C&R-209, and C&R-266 correspond to pages 1-20, 5.8-19, and 7-8, respectively, in the Draft EIR.

As shown in the attached, the errata provide correction to information to the EIR to make the summary tables consistent with the text. Errata are reflected in double underlined and italicized text. Staff advises that the information provided in the errata is minor and does not constitute significant new information requiring recirculation of the Draft EIR prior to certification.

TABLE C&R 3-5 (Continued)
SUMMARY OF IMPACTS AND MITIGATION MEASURES
FOR THE PROPOSED PROJECT AND THE LCSDI VARIANT

IMPACT	Proposed Project		LCSDI Variant	
	LCSD Site	Sampling Station Site	LCSD Site	Sampling Station Site
Section 5.8: Air Quality (cont.)				
Impact AQ-6: GHG operational emissions and conflicts with any applicable plans, policies, or regulations adopted for the purpose of reducing GHG emissions.	LS/LS	N/A	LS/LS	N/A
<i>Mitigation Measures</i>				
None required.	--	--	--	--
Impact C-AQ: Cumulative construction emissions of criteria pollutants, toxic air contaminants, and greenhouse gas emissions.	LS/SULS	LS/SULS	LS/SULS	LS/SULS
<i>Mitigation Measures</i>				
M AQ 1a: Dust Control Measures <u>None required.</u>	X	X	X	X
M AQ 1b: Exhaust Control Measures	X	X	X	X
M AQ 1c: Additional Exhaust Control Measures	X	X	X	X
Section 5.9: Wind and Shadow				
No impacts related to wind and shadow.	N/A	N/A	N/A	N/A
<i>Mitigation Measures</i>				
None required.	--	--	--	--
Section 5.10: Recreation				
Impact RE-1: Temporary conflicts with established recreational resources during construction.	SM	LS	SM	LS
<i>Mitigation Measures</i>				
M-RE-1: Notify Bicycle Organizations of Detours	X	--	X	--
M-NO-1: Administrative and Source Controls	X	--	X	--
M-AQ-1a: Dust Control Measures	X	X	X	X
M-AQ-1b: Exhaust Control Measures	X	X	X	X
M-AQ-1c: Additional Exhaust Control Measures	X	X	X	X
M-TR-1: Traffic Control Plan	X	--	X	--
M-LU-1b: Event Scheduling at the Pulgas Water Temple	--	X	--	X
Impact RE-2: Conflicts with established recreational uses due to facility siting and project operation.	LS	LS	LS	LS
<i>Mitigation Measures</i>				
M-AE-4: Tree Removal Plan	X	X	X	X

Page 1-20: Table 1-1 is revised as follows to reflect the BAAQMD's adoption of new CEQA Guidelines on June 2, 2010.

TABLE 1-1 (Revised)
SUMMARY OF LCSDI IMPACTS AND MITIGATION MEASURES

Section 5.8: Air Quality ¹		
Impact C-AQ: Cumulative construction emissions of criteria pollutants, toxic air contaminants, and greenhouse gas emissions.	<u>LS/SULS</u>	<u>LS/SULS</u>
<i>Mitigation Measures</i>		
M AQ 1a: Dust Control Measures <u>None required.</u>	X	X
M AQ 1b: Exhaust Control Measures	X	X
M AQ 1c: Additional Exhaust Control Measures	X	X

Page 5.8-19: The impact determination for Impact C-AQ and the note at the bottom of Table 5.8-3 are revised as follows to reflect the BAAQMD's adoption of new CEQA Guidelines on June 2, 2010.

TABLE 5.8-3 (Revised)
SUMMARY OF IMPACTS – AIR QUALITY

Impact	Significance Determination*	
	LCSD Site	Sampling Station Site
Impact AQ-1: Construction emissions of criteria pollutants.	PSM/SU	
Impact AQ-2: Generation of diesel particulate matter (DPM) and toxic air contaminants (TACs) during construction.	LS/LS	LS/LS
Impact AQ-3: Odors generated during project construction.	LS/LS	LS/LS
Impact AQ-4: GHG construction emissions and conflicts with any applicable plans, policies, or regulations adopted for the purpose of reducing GHG emissions.	LS/LS	LS/LS
Impact AQ-5: Air pollutant and odor during project operation.	LS/LS	LS/LS
Impact AQ-6: GHG operational emissions and conflicts with any applicable plans, policies, or regulations adopted for the purpose of reducing GHG emissions.	LS/LS	N/A
Impact C-AQ: Cumulative emissions of criteria pollutants, toxic air contaminants, and greenhouse gas emissions.	LS/SU/LS	

B = Beneficial impact

N/A = Not Applicable or no impact

LS = Less than Significant impact, no mitigation required

SM = Significant impact, can be Mitigated to less than significant

PSM = Potentially Significant impact, can be Mitigated to less than significant

SU = Significant Unavoidable impact

PSU = Potentially Significant Unavoidable impact

* Significance Determination under ~~adopted~~ 1999 BAAQMD CEQA Guidelines / Significance Determination under ~~proposed~~ 2009 2010 BAAQMD CEQA Guidelines

Revisions to Volume 1, Chapter 7, Other CEQA Issues

Page 7-8: The significance determination under Impact C-AQ and the footnote at the bottom of Table 7-1 are revised to reflect the BAAQMD's adoption of new CEQA Guidelines on June 2, 2010.

TABLE 7-1 (Revised)
SUMMARY OF CUMULATIVE IMPACTS

Cumulative Impact ^a	Significance Determination
Impact C-LU: Cumulative disruption of established communities and changes in existing land use patterns.	LS
Impact C-AE: Cumulative impacts on scenic resources (vistas, roadways, and designated scenic areas) or the visual character of the sit and its surroundings.	LS
Impact C-CP: Cumulative impacts on cultural resources.	SU
Impact C-PH: Cumulative impacts on population and housing.	N/A
Impact C-TR: Cumulative traffic increases on local and regional roads.	PSM
Impact C-NO: Cumulative increases in construction noise in the LCSD vicinity and along construction haul and delivery routes.	PSU
Impact C-AQ: Cumulative air quality impacts	LS/SUL ^b
Impact C-WS: Cumulative impacts on wind and shadow.	N/A
Impact C-RE: Cumulative effects on recreational resources during construction.	SU
Impact C-UT: Cumulative effects on utilities and service systems.	N/A
Impact C-PS: Cumulative impacts on public services.	N/A
Impact C-BI: Cumulative loss of sensitive biological resources during construction and operation	PSM
Impact C2-BI: Cumulative impacts on fisheries.	LS
Impact C-GE: Cumulative impacts on geology, soils, and seismicity.	LS
Impact C-HY: Cumulative impacts on water quality and hydrology.	LS
Impact C-HZ: Cumulative impacts related to hazards and hazardous materials.	LS
Impact C-ME: Cumulative impacts on energy use.	LS
Impact C-AG: Cumulative impacts on agricultural resources.	N/A

B = Beneficial impact

N/A = Not Applicable or no impact

LS = Less than Significant impact, no mitigation required

SM = Significant impact, can be Mitigated to less than significant

PSM = Potentially Significant impact, can be Mitigated to less than significant

SU = Significant Unavoidable impact

PSU = Potentially Significant Unavoidable impact

^a All cumulative impacts apply only to the LCSD site, with the exception of Impacts C-AQ and C-BI which also apply to the Sampling Station #5 site. All other cumulative impacts at the Sampling Station #5 site are less than significant.

^b For all Air Quality impacts, two significance determinations are provided. The first determination is based on evaluation with the adopted 1999 BAAQMD guidelines and the second is based on the evaluation with the 2010 proposed 2009 BAAQMD CEQA Air Quality Guidelines.

March 2010

Draft
Environmental Impact Report
Volume 1 of 3

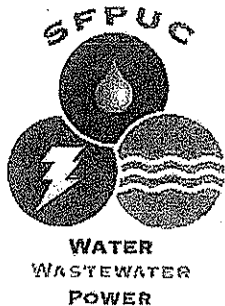
For the
San Francisco Public Utilities Commission's
**LOWER CRYSTAL SPRINGS DAM
IMPROVEMENTS PROJECT**



San Francisco Planning Department Case No. 2006.0536E
State Clearinghouse No. 2007012002

Draft EIR Publication Date: March 2, 2010
Public Hearing Date: April 6, 2010, Hillsborough
Public Hearing Date: April 8, 2010, San Francisco
Public Comment Period: March 2, 2010 to April 16, 2010

City and County of San Francisco
San Francisco Planning Department



SAN FRANCISCO PUBLIC UTILITIES COMMISSION

OFFICE OF THE ASSISTANT GENERAL MANAGER, WATER
1155 Market Street, 11th Floor, San Francisco, CA 94103 • Tel. (415) 934-5736



October 12, 2010

Mr. Anthony Constantouros, City Manager
Town of Hillsborough
1600 Floribunda Avenue
Hillsborough, CA 94010-6418

Subject: Lower Crystal Springs Dam

Dear Mr. Constantouros:

Thank you for organizing the October 5 meeting regarding Lower Crystal Springs Dam. I felt it was very constructive. This letter is to memorialize the commitments of the SFPUC that were made at that meeting.

Our commitments are:

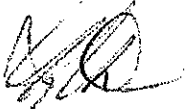
1. We will make readily available all of the reports that are referenced in the Lower Crystal Springs Dam Improvement Project EIR relating to dam safety and potential flood risk. In addition, all relevant information and inspection records regarding the safety of the dam and potential flood risk will be made available to the Town.
2. We will be present at the City Council meeting on November 8, 2010 to present information on the safety of the dam and potential flood risk, including updated inundation maps (maps that depict the potential area of inundation in the event of dam failure).
3. We will prepare and present a report to the Town on the results of URS's evaluation of our recent dam monitoring data within the next 6 months.
4. We will present reports to the City Council as requested on the results of our evaluations of the safety of the dam and potential flood risk and anticipate these requests about every two years.
5. We look forward to receiving comments from you regarding the draft Fact Sheet that we shared at the meeting in order to most effectively share that information with Hillsborough and neighboring communities and agencies. Going forward, we would include in our communications other agencies such as the County Office of Emergency Services, the Hillsborough City School District and neighboring cities such as Burlingame and San Mateo.
6. In addition to our ongoing, routine monitoring and inspections of the dam, we will perform a regular in-depth evaluation of the dam's stability and ability to perform approximately every 15 years. This will be done using the most

appropriate analytical techniques and technological advances and seismic standards appropriate at the time such future investigations are made. The evaluation will include review by outside experts. We will be doing the same for all of our dams and will identify a more precise schedule in our upcoming budget process. Since we have 14 dams in the entire system that are under the jurisdiction of the State's Division of Safety of Dams, we will most likely propose to commence one analysis each year. We will propose that Lower Crystal Springs Dam be the first in that cycle.

7. We will share the results of the in-depth evaluations with the Town and other agencies, including the opportunity to review the results with our staff and consultants. Depending on the results of the evaluations, we will identify and implement appropriate measures to correct any problems or inadequacies related to the safety of the dam and the potential flood risk.

We look forward to continuing to work with the Town and other agencies and are available to discuss these matters with you at any time.

Sincerely,



Steven R. Ritchie
Assistant General Manager, Water

cc: SFPUC Commissioners ✓
Ed Harrington, SFPUC General Manager
David Briggs, SFPUC Water Supply and Treatment Division Manager
Art Jensen, BAWSCA General Manager



TOWN OF HILLSBOROUGH

1600 FLORIBUNDA AVENUE
HILLSBOROUGH
CALIFORNIA
94010-6418

DEPARTMENT OF PUBLIC WORKS

October 13, 2010

Mr. Francis X. Crowley, President
San Francisco Public Utilities Commission
1155 Market Street, 11th Floor
San Francisco, CA 94103

Dear President Crowley,

This letter is to ensure that issues raised by the Town of Hillsborough, as outlined in our letter dated April 14th, 2010, are included in the permanent record and official approval of the Lower Crystal Springs Dam Improvements Project (Project), by SFPUC's Commission.

Specifically, the Town is requesting a commitment from SFPUC to address following critical issues related to public health and safety:

- 1) Completion of updated seismic assessment studies of Lower Crystal Springs Dam prior to the Project completion,
- 2) Expanded public outreach and reporting to the communities below the dam regarding SFPUC's operation and maintenance of the dam,
- 3) Assessment of potential flow releases from the dam and its impact on downstream properties including submission of new inundation maps and coordination with affected cities, and
- 4) Increased coordination with County of San Mateo Office of Emergency Services and Hillsborough's School District for emergency preparedness.

In addition, similar to Bay Area Water Supply and Conservation Agency (BAWSCA), the Town is concerned that the Final EIR for the Project states that the available water supply has been reduced by 7.4 million gallon a day from what was assumed under WSIP adopted Level of Service Goals for Water Supply. The Town of Hillsborough expects San Francisco to meet its adopted water supply Level of Service Goals for the Water System Improvement Program and its contractual obligations as outlined in 2009 Water Supply Agreement.

The Town looks forward to working with SFPUC and completion of the improvement for the Lower Crystal Springs Dam.

Sincerely,

Cyrus Kianpour, P.E., PLS
City Engineer

cc: Anthony Constantouros, City Manager
Art Jensen, BAWSCA
Christine M. Krolak, Mayor
John J. Fannon, Councilmember

