

# **PUBLIC UTILITIES COMMISSION**

City and County of San Francisco

RESOLUTION NO. 17-0091

WHEREAS, Following the rupture of a portion of San Andreas Pipeline No. 2 in San Bruno, California in July 2015, San Francisco Public Utilities Commission (SFPUC) staff developed a project description for Project No. CUW2730504, San Andreas Pipeline Number 2 Replacement Project (Project) in the City of San Bruno, California; and

WHEREAS, The objective of the Project is to replace approximately 7,500 linear feet of 54-inch lockbar steel pipe at four separate locations within the City of San Bruno; and

WHEREAS, SFPUC staff have determined that the Project construction, implementation, operation, or maintenance will possibly require the SFPUC to acquire, pursuant to Government Code Section 7260 *et seq.* statutory procedures, temporary interests in real property in: (1) Assessor's Parcel No. 019-170-020 owned by San Mateo Union High School District; (2) Assessor's Parcels No. 020-012-160 and No. 020-012-160& 170 owned by the Gap Corporation; (3) Assessor's Parcel No. 019-230-020 owned by County of San Mateo; and (4) Multiple Assessor's Parcel Numbers for Peninsula Place Homeowners' Association; and

WHEREAS, The San Francisco Planning Department previously prepared an Environmental Impact Report for the Peninsula Pipelines Seismic Upgrade Project (PPSU) in accordance with provisions of the California Environmental Quality Act (CEQA); and

WHEREAS, The San Francisco Planning Commission certified the final EIR (FEIR) for the PPSU on October 17, 2013 by Motion No.19004; and

WHEREAS, On October 22, 2013 the SFPUC, by Resolution No. 13-0161 adopted CEQA findings, a Mitigation, Monitoring, and Reporting Program, and a Statement of Overriding Considerations and approved the PPSU project; and

WHEREAS, On March 4, 2014, the Board of Supervisors, by Resolution No.66-14 approved funding for the PPSU project and adopted CEQA findings, a Mitigation, Monitoring, and Reporting Program, and a Statement of Overriding Considerations; and

WHEREAS, On April 12, 2017, the San Francisco Planning Department issued Addendum No. 1 to the FEIR for the PPSU project (PPSU FEIR), finding that proposed modifications to the PPSU project will not cause new significant impacts not identified in the FEIR, will not increase the severity of significant impacts identified in the FEIR, and will not require new mitigation measures to reduce significant impacts. Addendum No. 1, among other considerations, identifies and discusses recommended modifications to two mitigation measures previously adopted in the PPSU FEIR -- Mitigation Measure LU-1a, which provides for public notification to interested parties a week before construction activities, and Mitigation Measure LU-1b, which provides a 14-day advance notice to residents, tenants and property owners whose

homes are potentially subject to significant and unavoidable noise impacts. Addendum No. 1 concludes that the modifications, which would add the areas within the proposed project modification to areas requiring these notices, would not result in new or more severe impacts; and

WHEREAS, The Project files, including the PPSU FEIR, SFPUC Resolution No. 13-0161, Board of Supervisors' Resolution No. 66-14, and Addendum No. 1 to the PPSU FEIR have been made available to the SFPUC and the public and those files are part of the record before this Commission; and

WHEREAS, This Commission has reviewed and considered the information contained in the PPSU FEIR, Addendum No. 1 thereto, the findings contained in SFPUC Resolution No. 13-0161, the findings contained in Board of Supervisors Resolution No. 66-14, and 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; now, therefore, be it

RESOLVED, This Commission has reviewed and considered the PPSU FEIR and Addendum No. 1 prepared for the Project, as well as the record as a whole, and finds that the FEIR and Addendum No. 1 thereto are adequate for its use as the decision-making body for approval of the Project; and be it

FURTHER RESOLVED, That this Commission incorporates the CEQA findings contained in SFPUC Resolution No. 13-0161 and in Board of Supervisors Resolution No. 66-14, including the Mitigation Monitoring and Reporting Program and the Statement of Overriding Considerations by reference thereto as though set forth in this Resolution. The Commission additionally adopts the modifications to Mitigation Measures LU-1a and LU-1b as set forth in Addendum No. 1, and further finds that (1) because the proposed modifications to the Project described in the Addendum do not cause new significant impacts not identified in the PPSU FEIR, no new mitigation measures are necessary to reduce significant impacts; (2) no new information has become available and no changes in circumstances have occurred showing the project would cause new significant environmental impacts or increase the severity of previously identified significant impacts; and (3) as a result no supplemental environmental review is required beyond the environmental review previously conducted for the PPSU project; and be it

FURTHER RESOLVED, That this Commission authorizes the SFPUC General Manager, or his designee, to undertake the process, in compliance with California Government Code Section 7260 et seq., with the San Francisco Charter and all applicable laws, for possible acquisition by agreement or court determination, for a combined purchase price estimated not to exceed \$1,500,000, of temporary and permanent interests in real property in (1) Assessor's Parcel No. 019-170-020 owned by the San Mateo Union High School District; (2) Assessor's Parcels No. 020-012-160 and No. 020-012-160& 170 owned by the Gap Corporation; (3) Assessor's Parcel No. 019-230-020 owned by the County of San Mateo; and (4) multiple Assessor's Parcel Numbers for Peninsula Place Homeowners' Association; and to work with the City's Director of Real Estate to seek Board of Supervisors approval to the extent required by the Charter, and upon receipt of any required approval, authorize the SFPUC General Manager or City's Director of Real Estate to accept and execute final agreements, and any other related documents necessary



to consummate the transactions contemplated therein, in such form, approved by the City Attorney; and be it

FURTHER RESOLVED, The Project requires that the General Manager, or his designee, be authorized to (i) obtain, consistent with SFPUC existing fee or easement interests, where applicable, any necessary permits, licenses, and Memoranda of Agreement; and (ii) initiate encroachment removal efforts, consents from, and/or other agreements with, Caltrans, the City of San Bruno, the U.S. Department of Veteran's Administration, the County of San Mateo, the Peninsula Place Homeowners' Association, the San Mateo Union High School District, and the Cherry Hill Villa Condominium Owners' Association, relating to proposed Project construction activities and the relocation of existing utilities owned or operated by these entities within or adjacent to the Project area. To the extent that the terms and conditions of the required permits, instruments, or agreements require SFPUC to indemnify other parties, those indemnity obligations are subject to review and approval by the San Francisco Risk Manager. The Commission Resolution authorizes the General Manager, in consultation with the City Attorney, to agree to other such terms and conditions (e.g. maintenance, repair, and responsibility for relocation of utilities or improvements) that are in the public interest, are consistent with the SFPUC's existing rights, and in the judgment of the General Manager, are reasonable and appropriate for the scope and duration of the requested use; and be it

FURTHER RESOLVED, That this Commission authorizes the General Manager, or his designee, to (i) exercise any City or SFPUC right under any deed, easement, lease, permit, or license as required 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. The General Manager's authority so granted includes the authority, if necessary for the Project, to enter into, amend, or exercise rights under adjacent to, or in the vicinity of the SFPUC pipeline right-of-way, including Use Instruments required to accommodate Project construction activities or schedule, or to implement Project mitigation measures, but excluding the authority to dispose of any SFPUC real property interest. 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 the form by the City attorney; and be it

FURTHER RESOLVED, The General Manager or his designee is authorized to work with the Director of Real Estate to seek Board approval, to the extent required, and if approved, for the General Manager or the City's Director of Real Estate to accept and execute the real property agreements and Use Instruments authorized herein; and be it

FURTHER RESOLVED, That this Commission authorizes the General Manager to enter into any subsequent additions, amendments, or other modifications to the real property acquisition agreements and related documents, as described herein, that the General Manager, in consultation with the SFPUC Real Estate Director and the City Attorney, determines are in the

best interests of the SFPUC and the City, do not materially decrease the benefits to the SFPUC or the City, and do not materially increase the obligations or liabilities of the SFPUC or the City, such determinations to be conclusively evidenced by the execution and delivery of any additions, amendments, or other modifications; and be it

FURTHER RESOLVED, That this Commission hereby approves Project No. CUW2730504, San Andreas Pipeline No. 2 Replacement Project and authorizes staff to proceed with actions necessary to implement the Project.

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

  
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Secretary, Public Utilities Commission