

# **PUBLIC UTILITIES COMMISSION**

City and County of San Francisco

RESOLUTION NO. 16-0049

WHEREAS, San Francisco Public Utilities Commission (SFPUC) staff developed a project description under the Water System Improvement Program (WSIP) for meeting water supply demands, otherwise known as Project No. CUW30201, San Francisco Westside Recycled Water Project (Project), in the City and County of San Francisco (City); and

WHEREAS, The Project is a water supply project approved by the SFPUC as part of the WSIP; and

WHEREAS, The Project objectives are to construct a new recycled water treatment facility, pump station, underground reservoir, and associated pipelines and that will produce and delivery up to two million gallons per day of recycled water for irrigation, lake fill, and other non-potable uses, to diversify the SFPUC's water supply portfolio, and increase the use of local water supply sources; and

WHEREAS, The State of California owns that certain property located at 100 Armory Drive in San Francisco (Property) as an estate for years. The City owns a remainder interest in the Property that will become effective upon the expiration of the State of California's estate in 2052. The San Francisco County Assessor's Office designates the Property as Block 7281, Lot 004; and

WHEREAS, The City acquired the Property from the federal government pursuant to a quitclaim deed recorded on August 19, 1953. By that deed, the federal government reserved the right for the State of California National Guard (National Guard) to occupy the Property for 99 years. The National Guard currently occupies the Property. The National Guard's right to occupy the Property expires on January 28, 2052; and

WHEREAS, The Project includes the proposed construction of a Recycled Water Treatment Facility (Recycled Water Facility) located at the SFPUC's Oceanside Water Pollution Control Plant (Oceanside Plant) and within a portion of the adjacent Property. That portion of the Property designated for the Recycled Water Facility occurs in an area outside of the National Guard fence that the SFPUC already currently manages pursuant to a landscape easement from the State of California; and

WHEREAS, Construction of the Recycled Water Facility will require one permanent building easement, one permanent maintenance easement, and one temporary construction easement (Easements) at the Property from the State of California, each across a portion of the Property that is not currently used by the National Guard; and

WHEREAS, A City-hired independent appraiser issued an appraisal of the Property on July 30, 2015, and SFPUC staff and the City Real Estate Division reviewed and agreed with the appraisal in August 2015; and

WHEREAS, An Environmental Impact Report (EIR) as required by the California Environmental Quality Act (CEQA) was prepared for the Project and the Final EIR (FEIR) was reviewed and certified by the San Francisco Planning Commission on September 3, 2015 (Planning Department File No. 2008.0091E) in its Motion No. M-19442. The FEIR prepared for the Project is tiered from the Water System Improvement Program Environmental Impact Report (PEIR) adopted by the this Commission in Resolution No. 08-200 dated October 30, 2008, as authorized and in accordance with CEQA and CEQA Guidelines. On September 8, 2015, this Commission, by Resolution 15-0187, (1) approved the Project; and (2) adopted CEQA Findings, including a statement of overriding considerations, and a Mitigation Monitoring and Reporting Program (MMRP) required by CEQA; and (3) authorized the General Manager of the SFPUC to implement the Project, in compliance with the Charter and applicable law, and subject to subsequent Commission action and Board of Supervisors approval, where required; and

WHEREAS, The Project files including FEIR, PEIR, and SFPUC Resolution No. 15-0187 have been made available for review by the SFPUC and the public, and those files are part of the record before this Commission; and


WHEREAS, City and the State of California have negotiated and prepared a proposed Agreement for Purchase and Sale of Real Estate (Purchase Agreement), a copy of which is on file with this Commission's Secretary, which provides for the purchase of the Easements by City from State; now, therefore, be it

RESOLVED, That this Commission recommends to the City's Board of Supervisors that it approve the purchase of these Easements from the State of California for an amount not to exceed \$25,000; and, be it

FURTHER RESOLVED, That this Commission approves the terms and conditions of the Purchase Agreement for the Easements and authorizes the General Manager and/or the Director of Property or their respective designees, subject to Board of Supervisors' approval of the proposed Easement purchase transaction, to execute the Purchase Agreement; and be it

FURTHER RESOLVED, That this Commission authorizes the General Manager and/or the Director of Property to enter into any amendments or modifications to the Purchase Agreement, if approved: including without limitation, modification, addition, or deletion of exhibits and to enter into any related documents, instruments, memoranda, or other agreements reasonably necessary to consummate the transaction contemplated in the Purchase Agreement, that the General Manager determines, in consultation with the City Attorney, are in the best interests of the City; do not materially increase the liabilities or obligations of the City or materially diminish the benefits to the City; are necessary or advisable to effectuate the purposes and intent of the Purchase Agreement or this Resolution; and comply with all applicable laws, including the City Charter.

*I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of March 8, 2016.*



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Secretary, Public Utilities Commission