

5. Public Participation in Clean Water Policy and Planning

- **The public participation process for the 2002 Clean Water Projects was inadequate.**
- **As a result, the public received inconsistent and vague information, which fueled the public perception that the Department was not listening. Additionally, it is unclear whether public concerns were consistently conveyed to decision-makers and whether the recommendations of established community and technical advisory groups influenced the selection of the 2002 clean water projects.**
- **The Department's failure to provide for public participation in clean water policy and planning and to conduct adequate public outreach prior to the introduction of the integrated long-term capital improvement program in 2002 will result in delays to necessary capital improvements.**
- **The incoming General Manager should ensure that a public participation program for the Clean Water Master Planning Process is carefully managed so that this effort provides the public with a meaningful opportunity to give input into policy and planning decisions and results in widespread stakeholder support of a clean water capital improvement program.**

In the Spring of 2002, the former General Manager severed the clean water projects from the long-term capital improvement program. The clean water projects included ten projects, eight for the Southeast Water Pollution Control Plant, one for the North Point Facility, and one for the Oceanside Water Pollution Control Plant, for a total estimated cost of approximately \$960 million. The proposed projects for the Southeast Water Pollution Control Plant would have (1) replaced the existing sewage digesters¹, (2) replaced the sewers at Sunnysdale in the Bayview, (3) repaired and replaced various components of the aging Southeast Water Pollution Control Plant, and (4) built a 66 inch force main from the Channel Pump Station to the Southeast Water Pollution Control Plant. The Department stated that these ten projects would have improved wastewater treatment efficiency and reliability at the Southeast Water Pollution Control Plant,

¹ Ten existing digesters at the Southeast Water Pollution Control Plant handle the solids from the sewer system. These ten digesters are deteriorated, are not seismically safe, and are a significant cause of the odor that is generated at the Southeast Water Pollution Control Plant. While the digester project was one of the ten projects proposed in integrated capital improvement program, this project was also specified in a November 1994 Clean Water Program bond initiative approved by San Francisco voters. Four years later, in April of 1998, the Board of Supervisors passed a Resolution (98-0465) urging the Public Utilities Commission to repair these sewage digesters.

reduced odor emissions and the risk of flooding in the surrounding Bayview neighborhood, and prevented overflow of untreated wastewater into the San Francisco Bay. The Department expended approximately \$275,000 on two professional service contracts to conduct community outreach for these clean water projects.

The former General Manager severed the clean water projects from the long-term capital improvement program, in part, because members of the Southeast Community opposed the clean water projects. To address the Southeast Community's concerns, the former General Manager implemented a planning process to complete a Clean Water Master Plan that would provide the foundation for a new clean water capital improvement program. This decision will result in a five to seven year delay in the construction of comprehensive improvements to the City's wastewater and storm water system.

As of the writing of this report, the Clean Water Master Planning process includes three programs: 1) planning and engineering, 2) public participation, and 3) environmental review, which will take approximately three years to complete for a total estimated cost of \$15,750,000. The proposed public participation program is currently projected to cost \$2,750,000, of which \$750,000 will be for staff costs and \$2,000,000 will be for consultant services. The Department issued a Request for Proposal for the consultant services for the proposed public participation program in December of 2003, and awarded the contract to a joint venture of Public Affairs Management and Alfred Williams Consultancy, JV in August of 2004. To date, the Communications Division has developed only an initial "Communications Strategic Action Plan" for this project to:

- Oversee the creation of a three-year public participation plan for the Clean Water Master Plan.
- Manage the official launch of the Clean Water Master Plan.
- Create a staff mentoring and training program.
- Raise awareness about scheduled odor control improvements at the Southeast Water Pollution Control Plant.

Public Information Program for the 2002 Clean Water Projects

For the public information program for the 2002 clean water projects, although the Department has an internal Communications Division, the Department conducted community outreach efforts for the clean water programs using outside public relations consultants. The Communications Division did not participate in the planning or performance of this outreach effort. However, the Communications Division did send a representative to some of the consultant managed community meetings.² The Department

² The Budget Analyst will review the performance of the Communications Division in Phase IV of the management audit.

awarded a one-year contract from June 12, 2000 through June 12, 2001 for \$200,000 to Public Affairs Management to conduct public outreach. This public outreach effort focused exclusively on presenting the digester project to the Southeast Community. Public Affairs Management conducted stakeholder interviews, public surveys, prepared a summary of the results for the Commission, and made recommendations on how to improve public information efforts. Additionally, Public Affairs Management prepared meeting announcements, agendas, presentation materials, and recorded minutes. Department staff presented the digester project to the public at twelve public meetings.

The Department awarded, through the Water Infrastructure Partners Program Management services contract, a second six-month contract to Reputation LLC for a six month time period, February and March of 2002, and June through September of 2002. The contract was for public outreach for the integrated long-term capital improvement project. Between February and March of 2002, Reputation LLC coordinated community meetings in each of the eleven supervisorial districts to provide a forum for the former General Manager to educate the public about and promote the integrated long-term capital improvement project.³

Inadequacies of the Public Participation Process for the 2002 Clean Water Projects

The Department did not have a plan for public participation that included (1) the identification of who is representative of a cross section of the community, (2) an ongoing forum for public input for policy and planning, (3) a method to incorporate community input into the integrated long-term capital improvement project, and (4) a specific plan for community outreach.

The Department did not consistently send representatives to community meetings who had authority in the organization, were decision-makers regarding the content of the clean water projects, and could clearly convey complex technical information.

For the meetings that presented the digester project to the Southeast Community, Department representatives included the following staff: the Director of Planning (presented at five of the twelve meetings), and the Assistant General Manager of Operations (presented at one of the twelve meetings), the Water Pollution Control Division Manager (presented at five of the twelve meetings), and staff engineers from the Water Pollution Control Division (attended seven of the twelve meetings). At six of the twelve meetings, Department representation did not include representatives who had authority in the organization and who were decision-makers regarding the content of the clean water projects. No one staff representative attended all, or even a majority, of these public meetings. As a consequence of this, the public received inconsistent information,

³ During the June through September 2002 period, the General Manager had already made the decision to remove the clean water projects from the integrated long-term capital improvement program.

and in many cases, vague responses to questions. Additionally, whether public concerns were consistently conveyed to decision-makers is unclear.

The Department did not adequately respond to the recurring questions and concerns that members of the public expressed.

The report that Public Affairs Management prepared for the Commission on December 31, 2001, and the Community Outreach Report prepared by Reputation, LLC show that members of the public continually raised the following questions:

- Can the Southeast Water Pollution Control Plant be relocated?
- Why does the oldest facility in the City with noticeable deferred maintenance, reflected in odor problems and flooding, treat the majority of the City's sewage?
- Can the system be redesigned so that the Southeast Water Pollution Control Plant does not treat 80 percent of the City's wastewater?
- How will the clean water projects integrate environmental solutions that consultant studies have explored in the past?
- Have all feasible technologies been explored?
- How will the Department involve the community in policy and planning decisions?
- How will the Department outreach to the public?

A review of the minutes reveals that the former General Manager and Department staff provided vague and inconsistent responses to these recurring questions. As an example, in response to criticism from the public that the clean water projects did not reflect a consideration of alternatives or a community planning process, the former General Manager responded:

“Our purpose tonight is not to design projects, but to describe the projects. We don't have a plan in place at this time. We don't know what technology we'll use. We have heard complaints about how the SFPUC had addressed the issues. We're starting over and we will be using a TRC. Tonight is not the place to plan how the projects will be designed. We're here to present a package of projects and educate the public. How the projects will be implemented is not decided. We will have community input. . . . The design will have lots of community input opportunities.” District 9 meeting, April 10, 2002.

However, the Department had not developed a plan for public participation in policy and planning, nor did the General Manager provide the public with any details of “community input opportunities”. The consequence of inadequate responses to questions fueled public perception that the Department was not listening, and failure to provide details of

“community input opportunities” gave the public little assurance that the Department would listen later in the development of the clean water projects.

The Department did not evaluate whether to implement the consultant recommendations to improve public outreach.

On December 31, 2001, Public Affairs Management made eleven recommendations to the Commission to improve public outreach. As an example, Public Affairs Management recommended that the Department conduct a study of the potential to relocate the Southeast Water Pollution Control Plant and share the results with the surrounding community. However, nothing in the minutes of the meetings prepared by Reputation, LLC between February and April of 2002 and in interviews with staff indicate that the Department considered whether to implement, had implemented, or intended to implement, these eleven recommendations for the subsequent public outreach effort to educate the public about the integrated long-term capital improvement program. The consequence of this is a missed opportunity to improve the subsequent process and a failure to achieve all the potential benefits from the expenditure of \$200,000 for the consultant contract.

Utilization of Advisory Groups

The Department failed to fully utilize established community and technical advisory groups in the development of the 2002 clean water projects. The Department did not solicit comment from established community and technical advisory groups in the selection of the clean water projects included in the integrated long-term capital improvement program so that these groups could provide input in policy and planning. Instead, the Department developed the 2002 clean water projects using internal documents, conducting workshops with Department staff, and contracting with experts on an as needed basis.

The Department had an opportunity to involve three existing groups in policy and planning decisions for the clean water projects, but failed to do so. These groups were:

- The Citizens’ Advisory Committee on Wastewater Management established by the Board of Supervisors in 1972. After clean water functions were transferred from the Department of Public Works to the Public Utilities Commission in 1996, the Citizens’ Advisory Committee languished and after a two-year period of inactivity, the Commission disbanded the committee in the summer of 2002. The last meeting of the Citizens’ Advisory Committee was in May of 2000. The Board of Supervisors finalized this Commission action on February 10, 2004.
- The Technical Review Committee was established in 1997 by the Public Utilities Commission to develop an outline for a technology assessment that is the basis for the Screening of Feasible Technologies Report (SOFT). The SOFT report is the Commission’s response to Board of Supervisor Resolution 876-96 which requested the Commission to conduct a comprehensive feasibility study of environmentally

beneficial alternatives to the cross-town tunnel for addressing clean water flow into San Francisco Bay. The Committee meets on an ad-hoc basis.

- The Public Utilities Infrastructure Task Force established in 2001 by former Mayor Brown to examine the operation and long-term requirements of the City's water and wastewater systems, and to advise the Mayor and the Public Utilities Commission regarding the capital improvements and financial measures required. The task force met between January of 2000 and January of 2003.

The Department could not provide documentation that indicates that the recommendations of established community and technical advisory groups influenced the selection of the 2002 clean water projects. The Department was unable to even provide a complete set of agendas and minutes for the meetings held by the Citizens' Advisory Committee, the Technical Review Committee, and Public Utilities Task Force despite repeated requests by the Budget Analyst. Interviews with members of these groups reveal that the Public Utilities Infrastructure Task Force provided recommendations to the General Manager and the Commission regarding the clean water projects; however, these recommendations were not maintained in the Department's files provided to the Budget Analyst. Finally, a community outreach report, prepared by Reputation LLC, includes correspondence from the Chair of the Public Utilities Infrastructure Task Force to the Mayor, the General Manager and the Commission, and correspondence from the Alliance for a Clean Waterfront, a community based nonprofit organization. However, the report does not include return correspondence from the General Manager or the Commission that responds to the concerns raised by the Public Utilities Infrastructure Task Force or the Alliance for a Clean Waterfront.

Proposition E, passed by San Francisco voters in November of 2002, requires the establishment of a Public Utilities Citizens' Advisory Committee. The intention is that public outreach for the Clean Water Master Planning process will be conducted through the Public Utilities Citizens' Advisory Committee, which will independently advise the Commission.

The General Manager should (1) ensure that the Department utilizes established community and technical advisory groups in policy and planning decision for the Clean Water Master Plan, and (2) direct that the Project Manager of the Clean Water Master Planning process to ensure a system of documentation in which the planning and engineering program and the environmental review program clearly record how recommendations from established community and technical advisory groups influence technical decisions.

The Proposed Clean Water Master Planning Process

As noted above, the proposed public participation program for the Clean Water Master Planning Process will cost \$2,750,000, of which \$750,000 will be for staff costs and \$2,000,000 will be for consultant services. Unlike the public information program for the 2002 clean water projects which focused a majority of resources on outreach to the

Southeast community, the proposed Clean Water Master Planning Process will be a citywide outreach effort with particular attention on the communities surrounding the North Point Facility and the Southeast Water Pollution Control Plant. To date, the Communications Division has only developed a preliminary plan for the proposed public participation program for the Clean Water Master Planning process. In the professional services agreement for the consultant to provide assistance to the Department in the proposed public participation program, the key components for the work are:

- Contract and team management which includes the development of project procedures and guidelines to ensure consistency and quality of work, the coordination of sub-consultant work, and coordination of internal Communications Division and technical staff.
- Development of a public participation program which includes stakeholder identification and interviews.
- Preparation and tracking of contact and issue database.
- Organization of a “Project Launch” and six public workshops.
- Preparation of customer surveys and issue reports.
- Plan and implementation of a media campaign.
- Development of communications materials, including a web page.
- Review and translation to technical documents for the public.
- Development and provision of training for internal Communications Division and technical staff.

Under the proposed organization structure, the Communications Division would be responsible for the work of the public participation program consultant. The Project Manager would oversee the planning and engineering, public participation, and environmental review programs.

The problems in the earlier outreach program were:

- The Department did not develop a plan for public participation.
- Staff representation did not consistently include representatives who had authority in the organization, were decision-makers regarding the content of the clean water project, and who could convey complex technical information.
- The internal Communications Division staff was not utilized to do public outreach work.

- The former General Manager and Department staff gave unclear and inconsistent responses to recurring questions from the public, which fueled public perception that the Department was not listening.
- The Department did not evaluate or implement consultant recommendations to improve public outreach.
- The Department did not create a forum for public input into policy and planning for the clean water projects and did not fully utilize established community and technical advisory groups.

Based on an evaluation of the problems of the earlier outreach process compared to the key components of the proposed public participation program for the Clean Water Master Planning process, the Budget Analyst concludes that the proposed public participation program should address a majority of the problems of the earlier process. However, the General Manager should ensure that the internal Communications Division staff is fully utilized to do public outreach work, and that expenditures for the proposed public participation program reflect the appropriate mix of internal and contractual resources.

The incoming General Manager should also direct the Communications Division to develop a detailed plan for the public participation program following the policy guidance of the Public Utilities Citizens' Advisory Committee. In developing this work plan, the Communications Division should not "reinvent the wheel", and should instead build on the consultant stakeholder lists, evaluations, and recommendations developed in the earlier process. The incoming General Manager should report the work plan to the Commission, and in particular show how this work plan (1) identifies who is representative of a cross section of the community, (2) provides an ongoing forum for public participation in policy and planning, (3) ensures a method to incorporate community input into the Clean Water Master Plan, and (4) demonstrates adequate public outreach.

The incoming General Manager should ensure consistent and appropriate staff representation in the community planning process. This consistent representation should include staff who have authority in the organization, are decision-makers regarding the content of the Clean Water Master Plan, and who can clearly convey complex technical information to the public.

Conclusion

The Public Utilities Commission is responsible for maintaining the City's wastewater and storm water system. The Department's failure to provide for public participation in clean water policy and planning and to conduct adequate public outreach prior to the introduction of the integrated long-term capital improvement program in 2002 will result in delays to necessary capital improvements. The Clean Water Master Planning process should address a majority of the problems of the earlier process and give the public a meaningful opportunity to provide input into policy and planning decisions.

Recommendations

The Public Utilities Commission General Manager should:

- 5.1 Ensure that the Department utilizes established community and technical advisory groups in policy and planning decisions.
- 5.2 Direct the Project Manager of the Clean Water Master Planning process to establish a system of documentation in which the planning and engineering program and the environmental review program clearly record how recommendations from established community and technical advisory groups influence technical decisions.
- 5.3 Ensure that the internal Communications Division staff is fully utilized to do public outreach work, and that expenditures for the proposed public participation program reflect the appropriate mix of internal and contractual resources.
- 5.4 Direct the Communications Division to develop a detailed plan for the proposed public participation program following the policy guidance of the Citizens' Advisory Committee.
- 5.5 Ensure that the Communications Division does not "reinvent the wheel". Instead, the Communications Division should further the development of the existing consultant stakeholder lists, evaluations, and recommendations from the earlier process.
- 5.6 Ensure that the detailed plan for proposed public participation includes (1) the identification of who is representative of a cross section of the community, (2) an ongoing forum for public input to policy and planning, (3) a method to incorporate community input into the Clean Water Master Plan and new Clean Water Capital Improvement Program, and (4) a plan for community outreach.
- 5.7 Ensure consistent and appropriate staff representation in the community planning process.

The Public Utilities Commission should:

- 5.8 Review and approve a plan for public participation.
- 5.9 Require the General Manager to report the status of the public participation program quarterly.
- 5.10 Ensure that the Public Utilities Citizens' Advisory Committee is fully utilized in policy and planning.

Costs and Benefits

As of the writing of this report, in order to develop the proposed public participation component of the Clean Water Master Planning process, the Department is planning to invest \$2,750,000, of which \$750,000 will be for staff costs and \$2,000,000 will be for consultant services. The above Budget Analyst recommendations could result in a larger share of resources for the internal Communications Division staff, and a reduction in the consultant contract, if the Department determines that such changes reflect the appropriate mix of internal and contractual resources for public outreach. The Budget Analyst considers that this public participation process will be a worthwhile investment if it provides the public with a meaningful opportunity to give input into policy and planning decisions and results in widespread stakeholder support of a clean water capital improvement program. Close management of this departmental contract is necessary to ensure that the problems of earlier outreach efforts are not repeated.