Resolution approving and authorizing the execution of a Memorandum of Understanding between the Treasure Island Development Authority and the San Francisco Public Utilities Commission for proposed new wastewater treatment and recycled water treatment facilities to serve Treasure Island and Yerba Buena Island.

WHEREAS, Former Naval Station Treasure Island was a military base located on Treasure Island and Yerba Buena Island (together, the "Base"), which was owned by the United States of America, acting by and through the Department of the Navy (the "Navy"); and

WHEREAS, The Base was selected for closure and disposition by the Base Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its subsequent amendments; and

WHEREAS, The United States Department of Defense designated the City and County of San Francisco ("City") as the entity responsible for the conversion of the Base under the federal disposition process; and

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (TIDA) to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the Base for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and

WHEREAS, In May 10, 2011, the San Francisco Public Utilities Commission (SFPUC) adopted Resolution No. 11-0068, conditionally approving an Interagency Cooperation Agreement (ICA) between the City and TIDA, provided that the SFPUC retained full discretion
to approve a future agreement with TIDA outlining the terms upon which the SFPUC may finance, design, build, own and operate a new Wastewater Treatment Facility (WWTF), including recycled water production; and

WHEREAS, SFPUC staff and TIDA staff have negotiated the terms of a Memorandum of Understanding (the “MOU”); and

WHEREAS, It is the intent of the MOU to record the parties' understanding as to: the SFPUC’s development of new wastewater treatment facilities necessary for treatment and discharge of sanitary sewage (WWTF), including production of recycled water (RWTF) (collectively, the WWTP Project) on Treasure Island; the necessary real property improvements to the WWTP Project site; TIDA’s transfers to the SFPUC of fee and easement interests for the WWTP Project construction and operation; SFPUC’s right to continued use of existing comparable property to support existing contract utility services or future public utility operations; and TIDA’s transfer to the SFPUC of an additional parcel of 4-6 acres contiguous to the WWTF site; and

WHEREAS, Under the MOU, TIDA must ensure various actions are completed as condition precedent for the SFPUC to begin construction of the WWTP Project, including but not limited to, site preparation, conveyance of property to the SFPUC, and any necessary site remediation; and

WHEREAS, New service connections must enter into an agreement with TIDA to obtain sanitary sewage collection and treatment service for the subdivision, subject to possible transfer of service to SFPUC in the future on terms consistent with SFPUC's rules, regulations, rates, fees and charges; and

WHEREAS, TIDA will continue to be the service provider for any customers whose flows are conveyed to the WWTF in whole or in part by currently existing legacy infrastructure; and
WHEREAS, On June 7, 2011, the Board of Supervisors, in compliance with the California Environmental Quality Act (CEQA), reviewed and considered the Final Environmental Impact Report ("FEIR") for the Treasure Island / Yerba Buena Island Redevelopment Plan, and adopted Resolution No. 246-11, including the CEQA Findings, the Mitigation and Monitoring Reporting Program (MMRP) and a Statement of Overriding Considerations for the Treasure Island-Yerba Buena Island Project and approved the Project, which includes the WWTP Project; and

WHEREAS, CEQA review for the WWTP as proposed is complete; and

WHEREAS, Additional CEQA review and, if necessary, preparation of the appropriate CEQA document will be completed prior to this Commission’s approval of the WWTP Project construction, including specific processes and equipment, any modifications to related facilities such as the existing outfall, or approval of a development plan for the Additional Parcel; and

WHEREAS, The City’s budget decisions are subject to the discretion of the Mayor and the Board of Supervisors, and the City has no obligation to make appropriations for the obligations of the parties contemplated in the MOU in lieu of appropriations for new or other agreements; and

WHEREAS, A copy of the MOU is on file with the Clerk of the Board of Supervisors in File No. 170570; and

WHEREAS, The Commission authorized the General Manager of the SFPUC to execute the MOU, subject to this Board’s approval, at its meeting on April 25, 2017, by adopting Resolution No. 17-0089; and

WHEREAS, The TIDA Board of Directors authorized the Director of Island Operations to execute the MOU at its meeting on March 8, 2017; and
WHEREAS, TIDA's Bylaws require the Board of Supervisors' approval of agreements with a term in excess of ten years or anticipated revenues of one million dollars ($1,000,000) or more; and

WHEREAS, SFPUC agreements with a term in excess of ten years require the Board of Supervisors' approval pursuant to Charter Section 9.118; now, therefore, be it

RESOLVED, That the Board of Supervisors has reviewed and considered the FEIR and record as a whole, finds the action taken herein is within the scope of the Project and activities evaluated in the FEIR, and that the FEIR is adequate for its use as the decision-making body for the action taken herein; and, be it

FURTHER RESOLVED, That the Board of Supervisors, in exercising its independent judgment, adopts and incorporates by reference all prior findings adopted by the SFPUC and this Board for the Project including, without limitation, the findings set forth in the San Francisco Public Utilities Commission Resolution No. 11-0068, and this Board's findings in Resolution No. 246-11, including the CEQA Findings, the Mitigation and Monitoring Reporting Program and a Statement of Overriding Considerations for the Treasure Island-Yerba Buena Island Project, which includes the WWTP Project; and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby approves the terms of the MOU and authorizes TIDA's Director of Island Operations and the SFPUC's General Manager to execute the MOU.
RECOMMENDED:

Robert Beck, Director
Treasure Island Development Authority

Harlan L. Kelly, Jr., General Manager
San Francisco Public Utilities Commission
City and County of San Francisco

Tails Resolution

File Number: 170570      Date Passed: July 25, 2017

Resolution approving and authorizing the execution of a Memorandum of Understanding between the Treasure Island Development Authority and the San Francisco Public Utilities Commission for proposed new wastewater treatment and recycled water treatment facilities to serve Treasure Island and Yerba Buena Island.

July 13, 2017 Budget and Finance Sub-Committee - RECOMMENDED

July 25, 2017 Board of Supervisors - ADOPTED

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

I hereby certify that the foregoing Resolution was ADOPTED on 7/25/2017 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor

Date Approved 7/27/2017