



City of Sunnyvale

Notice and Agenda City Council

Tuesday, February 26, 2019

6:00 PM

Council Chambers and West Conference
Room, City Hall, 456 W. Olive Ave.,
Sunnyvale, CA 94086

Special Meeting: Closed Session - 6:00 PM | Regular Meeting - 7:00 P.M.

6:00 P.M. SPECIAL COUNCIL MEETING (Closed Session)

1 Call to Order in the West Conference Room

2 Roll Call

3 Public Comment

The public may provide comments regarding the Closed Session item(s) just prior to the Council beginning the Closed Session. Closed Sessions are not open to the public.

4 Convene to Closed Session

[19-0179](#)

Closed Session held pursuant to California Government Code Section 54956.9:
CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION
(Paragraph (1) of subdivision (d) of Section 54956.9)
Bagley, Lee v. County of Santa Clara, et al., Case No. 3:16-CV-02250-JSC

[19-0282](#)

Closed Session held pursuant to California Government Code Section 54956.9: LEGAL COUNSEL - ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: Related to Notice of California Voting Rights Act Violation by Samir Kalra, Galen Kim Davis, Kathy Higuchi, and Bowman Ching

5 Adjourn Special Meeting

7 P.M. COUNCIL MEETING

Pursuant to Council Policy, City Council will not begin consideration of any agenda item after 11:30 p.m. without a vote. Any item on the agenda which must be continued due to the late hour shall be continued to a date certain. Information provided herein is subject to change from date of printing of the agenda to the date of the meeting.

CALL TO ORDER

Call to Order in the Council Chambers (Open to the Public)

SALUTE TO THE FLAG**ROLL CALL****CLOSED SESSION REPORT****ORAL COMMUNICATIONS**

This category provides an opportunity for members of the public to address the City Council on items not listed on the agenda and is limited to 15 minutes (may be extended or continued after the public hearings/general business section of the agenda at the discretion of the Mayor) with a maximum of up to three minutes per speaker. Please note the Brown Act (Open Meeting Law) does not allow the Council to take action on an item not listed on the agenda. If you wish to address the Council, please complete a speaker card and give it to the City Clerk. Individuals are limited to one appearance during this section.

CONSENT CALENDAR

All matters listed on the consent calendar are considered to be routine and will be acted upon by one motion. There will be no separate discussion of these items. If a member of the public would like a consent calendar item pulled and discussed separately, please submit a speaker card to the City Clerk prior to the start of the meeting or before approval of the consent calendar.

1.A [19-0076](#) Approve City Council Meeting Minutes of January 29, 2019

Recommendation: Approve the City Council Meeting Minutes of January 29, 2019 as submitted.

1.B [19-0187](#) Approve City Council Meeting Minutes of February 5, 2019

Recommendation: Approve the City Council Meeting Minutes of February 5, 2019 as submitted.

- 1.C [19-0026](#) Approve the List(s) of Claims and Bills Approved for Payment by the City Manager

Recommendation: Approve the list(s) of claims and bills.

- 1.D [18-1095](#) Award of a Contract to California Sports Center for Gymnastics Instruction Services (F18-146)

Recommendation: 1) Award a two-year contract to California Sports Center to provide gymnastics instruction services, in substantially the same form as Attachment 1 to the report and authorize the City Manager to execute the contract when all necessary conditions have been met, and 2) delegate the authority to the City Manager to renew the contract for three additional one-year periods, if services and pricing remain acceptable to the City.

- 1.E [18-1132](#) Award of Bid No. PW19-01 to Ray's Electric for Traffic Signal Reconstruction at Mathilda Avenue and Indio Way Project, Finding of California Environmental Quality Act (CEQA) Categorical Exemption, and Approval of Budget Modification No. 18 in the Amount of \$270,000

Recommendation: Take the following actions:

- Make a finding of a California Environmental Quality Act (CEQA) categorical exemption pursuant to CEQA Guidelines Section 15301(c);
- Award a contract in substantially the same form as Attachment 2 to the report in the amount of \$1,169,417 to Ray's Electric of Oakland for the Traffic Signal Reconstruction at Mathilda Avenue and Indio Way Project;
- Authorize the City Manager to execute the contract when all necessary conditions have been met;
- Approve a 10% construction contingency in the amount of \$116,942; and
- Approve Budget Modification No. 18 in the amount of \$270,000.

- 1.F [19-0045](#) Continuation of Supplemental Law Enforcement Services (SLES) Funds and Approval of Budget Modification No. 22 to

Appropriate \$93,355 in SLES Funding to Support Sworn Staff Overtime Costs and the Purchase of Identified Police Services Equipment

Recommendation: Approve Budget Modification No. 22 to appropriate \$93,355 in Supplemental Law Enforcement Services funding to support sworn overtime costs and the purchase of identified police services equipment.

1.G [19-0185](#) Annual Review and Approval of City's Code of Ethics and Conduct for Elected and Appointed Officials

Recommendation: Review and approve the 2019 Code of Ethics and Conduct for Elected and Appointed Officials with no changes from the 2018 Code as set forth in Attachment 1 of the report.

1.H [19-0159](#) Adopt a Resolution to Summarily Vacate a Slope Easement at 830 E. El Camino Real and 810 E. El Camino Real

Recommendation: Adopt the resolution to summarily vacate a 10-foot wide slope easement at 830 E. El Camino Real and 810 E. El Camino Real; and to authorize the City Clerk to submit a certified copy of the resolution to the Santa Clara County Recorder's office.

1.I [19-0235](#) Adopt a Resolution to Amend the Classification Plan and the City's Salary Resolution to Update the Schedule of Pay to Add the Classifications of Environmental Programs Specialist I/II.

Recommendation: Adopt the Resolution amending Resolution Nos. 143-77 and 190-05 to Add the New Classifications of Environmental Programs Specialist I/II to the Classification Plan and to Amend the City's Salary Resolution to Update the Schedule of Pay.

1.J [19-0178](#) Amend an Existing Purchase Order for Valley Oil Company to provide Unleaded Gasoline and Diesel Fuel (F19-121)

Recommendation: Authorize the amendment of an existing purchase order with Valley Oil Company, in substantially the same format as Attachment 2 to the report, to include the supply of diesel fuel and increasing the not-to-exceed amount by \$200,000 for a new not-to-exceed of \$380,000, and authorize the City Manager to execute the purchase order when all the necessary conditions have been met and Find the Action exempt under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

1.K [19-0055](#) Award of Contract to Wastewater Solids Management, Inc. for Digesters No. 2 and No. 3 Cleanout 2018 Project (F19-053)

Recommendation: Award a contract to Wastewater Solids Management, Inc. of Yerington, NV in the amount not to exceed \$269,690 in substantially the same form as Attachment 2 to the report and authorize the City Manager to execute the contract when all necessary conditions have been met and Find that the Action is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301(b), for existing publicly-owned utilities facilities involving negligible or no expansion of use beyond which presently exists.

1.L [19-0280](#) Adopt a Resolution Amending the City's Salary Resolution and Schedule of Pay to Increase Salaries for Pay Plan Category A (Communication Officers Association) Effective March 10, 2019

Recommendation: Adopt a Resolution Amending Resolution No. 190-05, the City's Salary Resolution, to Increase Salaries for Pay Plan Category A (Employees Represented by the Communication Officers Association) Effective March 10, 2019.

PUBLIC HEARINGS/GENERAL BUSINESS

If you wish to speak to a public hearing/general business item, please fill out a speaker card and give it to the City Clerk. You will be recognized at the time the item is being considered by Council. Each speaker is limited to a maximum of three minutes. For land-use items, applicants are limited to a maximum of 10

minutes for opening comments and 5 minutes for closing comments.

- 2 [19-0239](#) Appoint Applicants to the Board of Library Trustees and Housing and Human Services Commission

Recommendation: Staff makes no recommendation.

- 3 [19-0044](#) Update on California Voting Rights Act Community Education and Outreach and Potential Direction on Next Steps for City Council By-District Elections

Recommendation: Alternative 1: Direct staff to return before March 29, 2019 with an amendment to the Resolution of Intent to Change to By-District Elections setting a March 2020 election for amending Article VI of the Charter.

- 4 [19-0072](#) Adopt a Resolution Approving the 2018 Amendments to the Water Supply Agreement (WSA) between the City and County of San Francisco (SFPUC) and the Wholesale Customers in Alameda County, San Mateo County, and Santa Clara County.

Recommendation: Alternative 1: Adopt a resolution approving the seven amendments and the attached "Amended and Restated Water Supply Agreement between the City and County of San Francisco Wholesale Customers in Alameda County, San Mateo County, and Santa Clara County" dated November 2018 and authorize the City Manager to execute such Agreement when final execution copies are prepared and distributed by the Bay Area Water Supply and Conservation Agency and find the Action does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(5) as it is an organizational or administrative activity that will not result in direct or indirect physical changes to the environment.

- 5 [19-0152](#) CONTINUED FROM DECEMBER 4, 2018.
Consideration of Useable Open Space in Required Front Yards: Introduce an Ordinance to Amend Section 19.37.100 (Usable Open Space Design Requirements) of Chapter 19.37 (Landscaping, Irrigation and Useable Open Space) and Section 19.12.160 ("O") of Chapter 19.12 (Definitions) of the Sunnyvale Municipal Code, and Find that the Action is Exempt from CEQA Pursuant to CEQA Guidelines Section 15061(b) (3). (Study Issue)

Recommendation: Alternative 1: Introduce an Ordinance to Amend Chapter 19.37 (Landscaping, Irrigation and Useable Open Space), including but not limited to (a) Medium, high and very high density multi-family residential zoning districts (R-3, R-4 and R-5), (b) Up to 50% of the required front yard may be counted toward the useable open space requirement, (c) Useable open space in the required front yard would not be a permitted use for a project with a front yard setback deviation or Variance, and Section 19.12.160 ("O") of Chapter 19.12 (Definitions) of the Sunnyvale Municipal Code (Attachment 3 to this report), and Find that the Action is Exempt from the California Environmental Quality Act (CEQA) Pursuant to CEQA Guidelines Section 15061(b)(3) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

COUNCILMEMBERS REPORTS ON ACTIVITIES FROM INTERGOVERNMENTAL COMMITTEE ASSIGNMENTS

NON-AGENDA ITEMS & COMMENTS

-Council

-City Manager

INFORMATION ONLY REPORTS/ITEMS

19-0188	Tentative Council Meeting Agenda Calendar
19-0189	Information/Action Items
19-0190	Board/Commission Meeting Minutes

ADJOURNMENT

NOTICE TO THE PUBLIC

The agenda reports to council (RTCs) may be viewed on the City's website at sunnyvale.ca.gov after 7 p.m. on Thursdays or at the Sunnyvale Public Library, 665 W. Olive Ave. as of Fridays prior to Tuesday City Council meetings. Any agenda related writings or documents distributed to members of the City of

Sunnyvale City Council regarding any open session item on this agenda will be made available for public inspection in the Office of the City Clerk located at 603 All America Way, Sunnyvale, California during normal business hours and in the Council Chamber on the evening of the Council Meeting, pursuant to Government Code §54957.5. Please contact the Office of the City Clerk at (408) 730-7483 for specific questions regarding the agenda.

PLEASE TAKE NOTICE that if you file a lawsuit challenging any final decision on any public hearing item listed in this agenda, the issues in the lawsuit may be limited to the issues which were raised at the public hearing or presented in writing to the Office of the City Clerk at or before the public hearing. PLEASE TAKE FURTHER NOTICE that Code of Civil Procedure section 1094.6 imposes a 90-day deadline for the filing of any lawsuit challenging final action on an agenda item which is subject to Code of Civil Procedure 1094.5.

Pursuant to the Americans with Disabilities Act, if you need special assistance in this meeting, please contact the Office of the City Clerk at (408) 730-7483. Notification of 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35.160 (b) (1))

Planning a presentation for a City Council meeting?

To help you prepare and deliver your public comments, please review the "Making Public Comments During City Council or Planning Commission Meetings" available on the City website at sunnyvale.ca.gov.

Planning to provide materials to Council?

If you wish to provide the City Council with copies of your presentation materials, please provide 12 copies of the materials to the City Clerk (located to the left of the Council dais). The City Clerk will distribute your items to the Council.

Upcoming Meetings

Visit <https://sunnyvaleca.legistar.com> for upcoming Council, board and commission meeting information.



City of Sunnyvale

Agenda Item

19-0179

Agenda Date: 2/26/2019

Closed Session held pursuant to California Government Code Section 54956.9:
CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION
(Paragraph (1) of subdivision (d) of Section 54956.9)
Bagley, Lee v. County of Santa Clara, et al., Case No. 3:16-CV-02250-JSC



City of Sunnyvale

Agenda Item

19-0282

Agenda Date: 2/26/2019

Closed Session held pursuant to California Government Code Section 54956.9: LEGAL COUNSEL - ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9:
Related to Notice of California Voting Rights Act Violation by Samir Kalra, Galen Kim Davis, Kathy Higuchi, and Bowman Ching



City of Sunnyvale

Agenda Item

19-0076

Agenda Date: 2/26/2019

SUBJECT

Approve City Council Meeting Minutes of January 29, 2019

RECOMMENDATION

Approve the City Council Meeting Minutes of January 29, 2019 as submitted.



City of Sunnyvale

Meeting Minutes - Draft City Council

Tuesday, January 29, 2019

4:30 PM

Council Chambers and West Conference
Room, City Hall, 456 W. Olive Ave.,
Sunnyvale, CA 94086

Special Meeting: Closed Session - 4:30 PM | Regular Meeting - 7 PM

4:30 P.M. SPECIAL COUNCIL MEETING (Closed Session)

Vice Mayor Melton announced the Closed Session items and invited any members of the public to give Public Comment.

1 Call to Order in the West Conference Room

Vice Mayor Melton called the meeting to order at 4:30 p.m.

2 Roll Call

Present: 7 - Mayor Larry Klein
Vice Mayor Russ Melton
Councilmember Gustav Larsson
Councilmember Glenn Hendricks
Councilmember Nancy Smith
Councilmember Michael S. Goldman
Councilmember Mason Fong

Councilmember Smith arrived at 4:32 p.m.

3 Public Comment

None.

4 Convene to Closed Session

[19-0184](#)

Closed Session held pursuant to California Government Code
Section 54956.9: LEGAL COUNSEL - ANTICIPATED
LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of
subdivision (d) of Section 54956.9: Related to Notice of
California Voting Rights Act Violation by Samir Kalra, Galen

Kim Davis, Kathy Higuchi, and Bowman Ching

[19-0063](#)

Closed Session held pursuant to California Government Code Section 54957.6: CONFERENCE WITH LABOR NEGOTIATORS

Agency designated representatives: Kent Steffens, City Manager; Tina Murphy, Director of Human Resources
Employee organization: Sunnyvale Managers Association (SMA)
Employee organization: Sunnyvale Employee Association (SEA)/IFPTE Local 21

5 Adjourn Special Meeting

Vice Mayor Melton adjourned the meeting at 6:54 p.m.

7 P.M. COUNCIL MEETING

CALL TO ORDER

Mayor Klein called the meeting to order.

SALUTE TO THE FLAG

Mayor Klein lead the Salute to the Flag.

ROLL CALL

Present: 7 - Mayor Larry Klein
Vice Mayor Russ Melton
Councilmember Gustav Larsson
Councilmember Glenn Hendricks
Councilmember Nancy Smith
Councilmember Michael S. Goldman
Councilmember Mason Fong

CLOSED SESSION REPORT

Vice Mayor Melton reported that the Council met in Closed Session held pursuant to California Government Code Section 54956.9: LEGAL COUNSEL ANTICIPATED LITIGATION Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: Related to Notice of California Voting Rights Act Violation by Samir Kalra, Galen Kim Davis, Kathy Higuchi, and Bowman Ching; nothing to report.

Vice Mayor Melton reported that the Council met in Closed Session held pursuant to California Government Code Section 54957.6: CONFERENCE WITH LABOR NEGOTIATORS Agency designated representatives: Kent Steffens, City Manager; Tina Murphy, Director of Human Resources Employee organization: Sunnyvale Managers Association (SMA) Employee organization: Sunnyvale Employee Association (SEA)/IFPTE Local 21; nothing to report.

SPECIAL ORDER OF THE DAY

[19-0154](#) SPECIAL ORDER OF THE DAY - Recognition of Outgoing Mayor

Mayor Klein spoke in recognition of Councilmember Hendricks for his service as Mayor and presented him with a plaque. Councilmember Hendricks provided remarks.

[19-0155](#) SPECIAL ORDER OF THE DAY - National Slavery and Human Trafficking Prevention Month

Mayor Klein proclaimed National Slavery and Human Trafficking Prevention Month and read the proclamation into the record.

ORAL COMMUNICATIONS

Mayor Klein announced two upcoming open house events regarding the California Voting Rights Act and Sunnyvale elections.

Deborah Marks spoke about camphor trees on the Civic Center campus and provided a slide presentation.

Roy Woolsey spoke about the city's building permit process for small housing repairs.

Maria Hamilton addressed the development at 669 and 671 Old San Francisco Road.

Steve Scandalis spoke about transparency with Closed Session reports and requested that more information be reported out.

Richard Mehlinger, speaking on his behalf, thanked Councilmember Hendricks for his three years of service as Mayor and spoke about signage for bicycle routes and wayfinding through city streets. Mr. Mehlinger requested conducting a study issue

on bicycle parking.

CONSENT CALENDAR

Vice Mayor Melton moved and Councilmember Smith seconded the motion to approve the Consent Calendar.

The motion carried by the following vote:

Yes: 7 - Mayor Klein
Vice Mayor Melton
Councilmember Larsson
Councilmember Hendricks
Councilmember Smith
Councilmember Goldman
Councilmember Fong

No: 0

- 1.A** [19-0142](#) Approve City Council Meeting Minutes January 8, 2019
- 1.B** [19-0058](#) Approve City Council Meeting Minutes January 15, 2019
- 1.C** [19-0024](#) Approve the List(s) of Claims and Bills Approved for Payment by the City Manager
- 1.D** [19-0016](#) Authorize the Issuance of a Blanket Purchase Order for Fire Hoses to L.N. Curtis & Sons, Inc. (F19-102)
- 1.E** [18-1125](#) Award of Bid No. PW19-05 to Spenco Construction, Inc. for Concrete Sidewalk, Curb, Gutter and Driveway Approaches 2018 Project and Finding of California Environmental Quality Act (CEQA) Categorical Exemption
- 1.F** [18-1076](#) Award of Bid No. PW19-07 for the Fair Oaks Avenue Bikeway and Streetscape Re-Bid to JJR Construction, Inc, Determination of Bid Non-responsiveness and Waiver of Minor Bid Irregularity, Finding of California Environmental Quality Act (CEQA) Categorical Exemption, and Approval of Budget Modification No. 15 in the amount of \$131,666
- 1.G** [19-0146](#) Ratify Appointments of Councilmembers Made by Outside Agencies; Re-Ratify Appointment to Valley Transportation

Authority (VTA) Policy Advisory Board and Cities Association
of Santa Clara County (CASCC) Executive Board

PUBLIC HEARINGS/GENERAL BUSINESS

- 2 [18-0751](#) Proposed Project: Appeal by the Applicant of a decision by the Planning Commission to deny:
PEERY PARK SPECIFIC PLAN CONDITIONAL USE PERMIT:
to consider a high school for 400 students (Summit School).
The project includes interior and exterior improvements of an existing industrial building for an educational use, the installation of a tri-level mechanical lift parking structure in the rear serving 22 parking spaces, and a request for adjustment to the minimum parking requirements.
Location: 824 San Aleso Avenue (APN: 204-02-006)
File #: 2017-7986
Zoning: PPSP-NT - Peery Park Specific Plan - Neighborhood Transition
Applicant / Owner: Artik Art & Architecture (applicant) / 824 San Aleso, LLC (owner)
Environmental Review: The project is exempt from additional CEQA review per CEQA Guidelines section 15168(c)(2) and (4) and Public Resources Code Section 21094(c). The project is within the scope of the Peery Park Specific Plan Program EIR as no new environmental impacts are anticipated and no new mitigation measures are required.
Project Planner: Momoko Ishijima, (408) 730-7532, mishijima@sunnyvale.ca.gov

Vice Mayor Melton reported he met with Summit School representative Kate Godfordson at City Hall.

Assistant Director of Community Development Andrew Miner provided the staff report and slide presentation.

Executive Director of Summit School Denali Kevin Bock provided the applicant's proposal and slide presentation. Attorney Bryan Wenter from Miller, Starr, Regalia provided testimony regarding the applicant's appeal.

Public Hearing opened at 8:32 p.m.

Zachary Kaufman spoke about the appeal time of two Sunnyvale projects.

The following people spoke in support of the Summit Denali project:

Steven Johnson

Sue Johnson

William Torberg and played a video

Jake Walczak

Natalie and Jacob Gaylord

Tasmin Hickler

Kassidy Toralba

Michelle Cudzinovic

Heather Chen

Uuve Taylor

James Begole

James Chen

Rocio Barrera

Lori Cunningham

Katy Berg

Steve Scandalis suggested partnering with Kings Academy for educational space, urged the Council to look at the deficiency of parking spaces and suggested reducing the student count or looking at alternatives for parking like offsite parking and the use of shuttles.

The following people spoke in favor of the staff recommendation:

Ann Davis

Tewfik Mourad

Sharon McKnight

Valerie Soares

Dwight Davis

Appellant Attorney Bryan Wenter provided closing arguments.

Public Hearing closed at 10:11 p.m.

MOTION: Councilmember Hendricks moved and Councilmember Goldman seconded to continue this item and have staff and the applicant work together to create a solution that will impose penalties for inappropriate parking and to define the appropriate thresholds.

AMENDED MOTION: Councilmember Hendricks amended the motion to continue this item to a date certain of April 23, 2019, and include direction to staff to use the correct mechanisms to limit the discussion to just new information being brought forward.

RESTATED MOTION: Councilmember Hendricks moved and Councilmember Goldman seconded to continue this item and have staff and the applicant work together to create a solution that will impose penalties for inappropriate parking and to define the appropriate thresholds.

FRIENDLY AMENDMENT: Mayor Klein offered a friendly amendment to include looking at renewal at a staff level after three years. Councilmembers Hendricks and Goldman accepted the friendly amendment.

FRIENDLY AMENDMENT: Councilmember Fong offered a friendly amendment to extend the renewal to five years. Councilmembers Hendricks and Goldman accepted the friendly amendment.

FRIENDLY AMENDMENT: Councilmember Fong offered a friendly amendment to include a parking requirement by securing another offsite parking facility and coordinating a shuttle service as needed. Councilmembers Hendricks did not accept the friendly amendment.

SUBSTITUTE MOTION: Vice Mayor Melton moved and Councilmember Fong seconded approval of the use permit with two conditions: 1) use permit valid for five years with review for Director of Community Development to determine if they've satisfied the parking requirements and that the Director has the authority to extend the life of the use permit at that point; and 2) applicant will come up with a certain amount of parking offsite within one mile of the project site with enough parking spaces to remove the mechanical parking structure.

FRIENDLY AMENDMENT: Councilmember Fong offered a friendly amendment to include Attachment 4 and put a condition of approval for the 18 parking spaces to be available to the public on non-essential hour usage and the liability to remain the responsibility of the property owner. Vice Mayor Melton accepted the friendly amendment.

The amended substitute motion failed by the following vote:

- Yes:** 2 - Vice Mayor Melton
Councilmember Fong
- No:** 5 - Mayor Klein
Councilmember Larsson
Councilmember Hendricks
Councilmember Smith
Councilmember Goldman

RESTATED MAIN MOTION: Councilmember Hendricks moved and Councilmember Goldman seconded to continue to April 23; include a provision that the use permit would expire after five years unless renewed by staff; and direct staff to come back to the Council with additional conditions of approval for Council consideration and a future vote.

The main motion carried by the following vote:

- Yes:** 6 - Mayor Klein
Councilmember Larsson
Councilmember Hendricks
Councilmember Smith
Councilmember Goldman
Councilmember Fong
- No:** 1 - Vice Mayor Melton

The Council recessed at 10:55 p.m. and reconvened at 11:05 p.m. with all Councilmembers present.

- 3** [18-1126](#) Proposed Project: Amend Sunnyvale Municipal Code Chapter 19.44 to add sign code provisions for theaters on the second floor.
Location: Citywide
File #: 2018-7131
Applicant / Owner: STC Venture LLC
Environmental Review: The action being considered does not constitute a “project” within the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378(a).

Project Planner: Noren Caliva-Lepe, (408) 730-7659,
ncaliva-lepe@sunnyvale.ca.gov

Community Development Assistant Director Andrew Miner provided the staff report and slide presentation.

Applicant Josh Rupert of Hunter/Storm provided a report and slide presentation.

The Public Hearing opened at 11:12 p.m.

No speakers.

The Public Hearing closed at 11:12 p.m.

Deputy City Clerk Michelle Radcliffe read the ordinance into the record.

MOTION: Councilmember Smith moved and Councilmember Larsson seconded approval of Alternatives 1 and 2: Make the finding that the action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a); and introduce an Ordinance Amending Chapter 19.44 (Signs) of Title 19 (Zoning) of the Sunnyvale Municipal Code Attachment 5 to the report).

The motion carried by the following vote:

Yes: 7 - Mayor Klein
Vice Mayor Melton
Councilmember Larsson
Councilmember Hendricks
Councilmember Smith
Councilmember Goldman
Councilmember Fong

No: 0

- 4** [19-0070](#) Adopt a Resolution to Accept Six Grant Awards from the California Public Utilities Commission's California Advanced Services Fund (CASF), Approve Budget Modification No 17 for a total of \$313,446 and Authorize the City Manager to Execute the Required Grant Documents for Each Grant Award

Library and Community Services Director Cynthia Bojorquez provided the staff

report.

The Public Hearing opened at 11:18 p.m.

No speakers.

The Public Hearing closed at 11:18 p.m.

MOTION: Councilmember Fong moved and Councilmember Smith seconded to approve Alternative 1: Adopt a Resolution to accept six grant awards from the California Public Utilities Commission's California Advanced Services Fund (CASF) for Digital Inclusion and Literacy Training for a total of \$313,446 for six Sunnyvale School District sites, approve Budget Modification No 17 for a total of \$313,446 and authorize the City Manager to execute the required grant documents for each grant award.

The motion carried by the following vote:

Yes: 7 - Mayor Klein
Vice Mayor Melton
Councilmember Larsson
Councilmember Hendricks
Councilmember Smith
Councilmember Goldman
Councilmember Fong

No: 0

COUNCILMEMBERS REPORTS ON ACTIVITIES FROM INTERGOVERNMENTAL COMMITTEE ASSIGNMENTS

Councilmember Larsson reported that he was elected Vice Chair of the Bay Area Water Supply and Conservation Agency (BAWSCA) Board.

Councilmember Smith reported that she attended several meetings in Sacramento for the League of California Cities, she attended the Santa Clara County Water Commission meeting, and announced that PG&E filed for bankruptcy and that the Silicon Valley Clean Energy's revenues are safe.

Councilmember Melton reported that he attended a meeting of the Silicon Valley Inoperable Authority.

NON-AGENDA ITEMS & COMMENTS

-Council

Councilmember Melton stated he is withdrawing a budget issue for installation of a 150-foot section of sidewalk on Marion Way.

-City Manager

City Manager Steffens reported that the Valley Transportation Authority prevailed in its litigation with Measure B and that the City will receive the first check tomorrow.

INFORMATION ONLY REPORTS/ITEMS

- [19-0059](#) Tentative Council Meeting Agenda Calendar
- [19-0060](#) Information/Action Items
- [19-0061](#) Board/Commission Meeting Minutes
- [19-0177](#) Annual Review of New Laws (Information Only)

ADJOURNMENT

Mayor Klein adjourned the meeting at 11:25 p.m.



City of Sunnyvale

Agenda Item

19-0187

Agenda Date: 2/26/2019

SUBJECT

Approve City Council Meeting Minutes of February 5, 2019

RECOMMENDATION

Approve the City Council Meeting Minutes of February 5, 2019 as submitted.



City of Sunnyvale

Meeting Minutes - Draft City Council

Tuesday, February 5, 2019

6:00 PM

Council Chambers and West Conference
Room, City Hall, 456 W. Olive Ave.,
Sunnyvale, CA 94086

Special Meeting: Study Session - 6 P.M. | Regular Meeting - 7 P.M.

6 P.M. SPECIAL COUNCIL MEETING (Study Session)

1 Call to Order in the West Conference Room (Open to the Public)

Vice Mayor Melton called the meeting to order at 6:00 p.m.

2 Roll Call

Present: 7 - Mayor Larry Klein
Vice Mayor Russ Melton
Councilmember Gustav Larsson
Councilmember Glenn Hendricks
Councilmember Nancy Smith
Councilmember Michael S. Goldman
Councilmember Mason Fong

3 Public Comment

None.

4 Study Session

[19-0215](#) Board and Commission Interviews

Council interviewed the following applicants for vacancies on the Board of Library Trustees:

Sharlene Wang
Jefferey Brenion

5 Adjourn Special Meeting

Vice Mayor Melton adjourned the meeting at 6:31 p.m.

7 P.M. COUNCIL MEETING

CALL TO ORDER

Mayor Klein called the meeting to order.

SALUTE TO THE FLAG

Mayor Klein led the salute to the flag.

ROLL CALL

Present: 7 - Mayor Larry Klein
Vice Mayor Russ Melton
Councilmember Gustav Larsson
Councilmember Glenn Hendricks
Councilmember Nancy Smith
Councilmember Michael S. Goldman
Councilmember Mason Fong

SPECIAL ORDER OF THE DAY

[19-0191](#) National African American History Month

Mayor Klein presented a proclamation in honor of National African American History Month.

PRESENTATION

[18-0952](#) Santa Clara County Update on Pilot Program for Year Round Homeless Shelter

Michelle Covert, County of Santa Clara, Office of Supportive Housing, provided a report of the County's Year-Round Homeless Shelter and provided a slide presentation.

ORAL COMMUNICATIONS

Councilmember Fong announced an upcoming Lunar New Year event.

Mayor Klein announced a series of community events to provide information regarding the California Voting Rights Act and to receive public input.

Kathy Thibodeaux, Miramar Capital, commended the County and Shelter staff for their efforts at community outreach relating to the shelter.

Kira Od spoke in support of the lighting ordinance. She also spoke regarding

parking on Borregas.

Mike Serrone spoke regarding the Bay Trail parking.

Mei-Ling Stefan spoke regarding direct election of the mayor.

Kedik spoke in support of the services provided by the shelter.

Daphne Diepedeen spoke in support of Home First and the services provided by the shelter.

William Kenville spoke in support of the shelter and Home First.

Brian H. spoke in support of Home First and the shelter.

Kevin Norman spoke in support of the shelter.

Mila spoke in support of the shelter.

Cherisse Lane spoke in support of the shelter.

Richard Mehlinger spoke in support of the year-round shelter on Hamblin Court and the issues of affordable housing.

Meili Kwong spoke about housing vouchers.

Robin Goka Huynh spoke in support of the shelter.

Shaunn spoke regarding an email she sent from the Client Collaborative and the major health issues of homelessness. She also spoke regarding the census.

Marie Bernard spoke in support of the shelter and provided information regarding the services provided by Sunnyvale Community Services.

CONSENT CALENDAR

Vice Mayor Melton moved and Councilmember Smith seconded the motion to approve the Consent Calendar.

The motion carried by the following vote:

Yes: 6 - Mayor Klein
Vice Mayor Melton
Councilmember Larsson
Councilmember Hendricks
Councilmember Smith
Councilmember Goldman

No: 0

Absent: 1 - Councilmember Fong

Councilmember Fong was temporarily out of the room at this time.

1.A [19-0025](#) Approve the List(s) of Claims and Bills Approved for Payment
by the City Manager

Approve the list(s) of claims and bills.

1.B [19-0192](#) Adopt a Resolution Amending the City's Salary Resolution to
Increase the Salary Range of the City Clerk Classification.

Adopt a Resolution amending the City's Salary Resolution (Resolution No. 190-05)
to Increase the Salary Range of the City Clerk Classification.

1.C [19-0207](#) Adopt Ordinance No. 3141-19 to Amend Table 19.44.160(b) of
Title 19 (Zoning) of the Sunnyvale Municipal Code relating to
Wall Signs

Adopt Ordinance No. 3149-19.

PUBLIC HEARINGS/GENERAL BUSINESS

2 [19-0043](#) Appoint Applicants to the Citizen Advisory Committee to Advise
Council on Outreach Efforts Related to Potential Changes to
City of Sunnyvale's Electoral System

Deputy City Manager Jacqueline Guzmán provided the staff report.

Public Hearing opened at 8:34 p.m.

No speakers.

Public Hearing closed at 8:34 p.m.

MOTION: Councilmember Hendricks moved and Vice Mayor Melton seconded the motion to appoint the nine applicants nominated by the Subcommittee plus one alternate that could serve should one of the appointed CAC members be unable to fulfill their term.

The motion carried by the following vote:

Yes: 6 - Mayor Klein
Vice Mayor Melton
Councilmember Larsson
Councilmember Hendricks
Councilmember Smith
Councilmember Fong

No: 0

Abstain: 1 - Councilmember Goldman

- 3** [18-1093](#) Authorize the City Manager to Execute a Conditional Agreement for the Purchase of Park Land from Property Located at 1142 Dahlia Court (Commonly Referred to as the Corn Palace), Approve Budget Modification No. 16, and Find that the Action is Exempt from CEQA Pursuant to CEQA Guidelines Sections 15004(b)(2)(A) and 15317

Director of Public Works Chip Taylor provided the staff report and slide presentation.

City Attorney John Nagel provided additional information.

Public Hearing opened at 8:49 p.m.

Richard Mehlinger spoke in support of the purchase of park land, and provided comments regarding the need for affordable housing in Sunnyvale and urged the Council to consider a slightly more high-density housing option in the Corn Palace area.

Steve Scandalis recommended the entire nine acres be purchased for a large city park.

Public Hearing closed at 8:54 p.m.

MOTION: Vice Mayor Melton moved and Councilmember Larsson seconded the motion to approve Alternative 1: Find that the Action is Exempt from the California Environmental Quality Act (CEQA) Under Sections 15004(b)(2)(A) and 15317 of the CEQA Guidelines, authorize the City Manager or his designee to execute the Purchase and Sale Agreement and Joint Escrow Instructions in the amount of \$7,307,822 between the City of Sunnyvale and Trumark Homes LLC. in substantially the same form as in Attachment 1 to the report and approve Budget Modification No. 16 in the amount of \$8,060,634.

The motion carried by the following vote:

Yes: 7 - Mayor Klein
Vice Mayor Melton
Councilmember Larsson
Councilmember Hendricks
Councilmember Smith
Councilmember Goldman
Councilmember Fong

No: 0

COUNCILMEMBERS REPORTS ON ACTIVITIES FROM INTERGOVERNMENTAL COMMITTEE ASSIGNMENTS

NON-AGENDA ITEMS & COMMENTS

Councilmember Hendricks reported receipt of a check from the Valley Transportation Authority.

Councilmember Smith reported that the League of California Cities Women's Caucus will be awarding a Woman of Persistence Award in March for Women's History Month. She stated that nominations can be sent to her via a link on her Facebook page.

-Council

Vice Mayor Melton proposed a budget issue to increase service levels pertaining to city advocacy in regional, state, and federal agencies. Mayor Klein and Councilmember Smith co-sponsored.

Councilmember Smith proposed a study issue to study existing streetlight systems in the city to determine and compare to the benchmark standards outlined in the

dark sky ordinance in the City of Malibu and to develop a lighting ordinance for city street lights, new and upgraded parking lots in the city. Mayor Klein, Vice Mayor Melton, and Councilmember Fong co-sponsored.

Councilmember Goldman provided comments regarding parks in Sunnyvale.

-City Manager

City Manager Kent Steffens provided a reminder of the upcoming Strategic Planning Workshop.

INFORMATION ONLY REPORTS/ITEMS

- | | |
|--------------------------------|--|
| <u>19-0036</u> | Tentative Council Meeting Agenda Calendar |
| <u>19-0077</u> | Information/Action Items |
| <u>18-0405</u> | Alternative Parking Information for Bay Trail Users (Information Only) |

ADJOURNMENT

Mayor Klein adjourned the meeting at 9:05 p.m.



City of Sunnyvale

Agenda Item

19-0026

Agenda Date: 2/26/2019

REPORT TO COUNCIL

SUBJECT

Approve the List(s) of Claims and Bills Approved for Payment by the City Manager

BACKGROUND

Pursuant to Sunnyvale Charter Section 802(6), the City Manager has approved for payment claims and bills on the following list(s); and checks have been issued.

<u>List No.</u>	<u>Date</u>	<u>Total Disbursements</u>
957	01-20-19 through 01-26-19	\$8,723,205.79
958	01-27-19 through 02-02-19	\$3,555,960.68
959	02-03-19 through 02-09-19	\$1,379,331.50

Payments made by the City are controlled in a variety of ways. In general, payments are reviewed by the appropriate City staff for compliance with the goods or services provided. Any discrepancies are resolved and re-submitted for payment. Different levels of dollar amounts for payments require varying levels of approval within the organization. Ultimately payments are reviewed and processed by the Finance Department. Budgetary control is set by Council through the budget adoption resolution.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" with the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(4) in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

Approve the list(s) of claims and bills.

Prepared by: Timothy J. Kirby, Director of Finance

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. List(s) of Claims and Bills Approved for Payment

2/11/2019

City of Sunnyvale

LIST # 957

Page 1

List of All Claims and Bills Approved for Payment
For Payments Dated 1/20/2019 through 1/26/2019

Sorted by Payment Number

Payment No.	Payment Date	Vendor Name	Invoice No.	Description	Invoice Amount	Discount Taken	Amount Paid	Payment Total
xxx310223	1/22/19	AT&T	000012475691	Utilities - Telephone	23,895.73	0.00	23,895.73	\$23,895.73
xxx310224	1/22/19	ACUITY SPECIALTY PRODUCTS GROUP INC	9003824877	Chemicals	931.69	0.00	931.69	\$6,824.42
			9003903271	Materials - Land Improve	3,952.46	0.00	3,952.46	
			9003917053	Materials - Land Improve	1,940.27	0.00	1,940.27	
xxx310225	1/22/19	AMERICAN FIDELITY ADMINISTRATIVE SVCS	35618	Software As a Service	657.80	0.00	657.80	\$657.80
xxx310226	1/22/19	AMERICAN SOCIETY OF COMPOSERS AUTHORS &	1/1/19-1/14/20	Membership Fees	1,427.46	0.00	1,427.46	\$1,427.46
xxx310227	1/22/19	BAY AREA WATER SUPPLY & CONSERVATION ACY	7001	Membership Fees	477.40	0.00	477.40	\$477.40
xxx310228	1/22/19	BAY-VALLEY PEST CONTROL INC	0252177	Facilities Maintenance & Repair Labor	43.00	0.00	43.00	\$902.00
			0252190	Facilities Maintenance & Repair Labor	32.00	0.00	32.00	
			0252191	Facilities Maintenance & Repair Labor	56.00	0.00	56.00	
			0252193	Facilities Maintenance & Repair Labor	42.00	0.00	42.00	
			0252194	Facilities Maintenance & Repair Labor	42.00	0.00	42.00	
			0252195	Facilities Maintenance & Repair Labor	42.00	0.00	42.00	
			02521957	Facilities Maintenance & Repair Labor	42.00	0.00	42.00	
			0252198	Facilities Maintenance & Repair Labor	42.00	0.00	42.00	
			0252234	Services Maintain Land Improv	62.00	0.00	62.00	
			1252178	Facilities Maintenance & Repair Labor	43.00	0.00	43.00	
			1252179	Facilities Maintenance & Repair Labor	43.00	0.00	43.00	
			1252180	Facilities Maintenance & Repair Labor	63.00	0.00	63.00	
			1252183	Facilities Maintenance & Repair Labor	59.00	0.00	59.00	
			1252184	Facilities Maintenance & Repair Labor	59.00	0.00	59.00	
			1252185	Facilities Maintenance & Repair Labor	59.00	0.00	59.00	
			1252186	Facilities Maintenance & Repair Labor	59.00	0.00	59.00	
			1252187	Facilities Maintenance & Repair Labor	72.00	0.00	72.00	
			1252195	Facilities Maintenance & Repair Labor	42.00	0.00	42.00	
xxx310230	1/22/19	BOUND TREE MEDICAL LLC	83084248	Inventory Purchase	1,500.93	0.00	1,500.93	\$1,500.93
xxx310231	1/22/19	C OVERAA & CO						\$2,210,108.88

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			PRMRYTRTMT	Construction Services	2,210,108.88	0.00	2,210,108.88	
			2#17					
xxx310232	1/22/19	CWEA	GGAETA-2019	Training and Conferences	188.00	0.00	188.00	\$376.00
			JBARAJAS-2019	Training and Conferences	188.00	0.00	188.00	
xxx310233	1/22/19	CALIFORNIA SPORTS CENTER	CSCCA119	Rec Instructors/Officials	5,648.00	0.00	5,648.00	\$5,648.00
xxx310234	1/22/19	CENTURY GRAPHICS	50564	Clothing, Uniforms & Access	295.43	0.00	295.43	\$1,272.90
			50566	Clothing, Uniforms & Access	977.47	0.00	977.47	
xxx310235	1/22/19	CHARLES HALL	001	Rec Instructors/Officials	357.00	0.00	357.00	\$357.00
xxx310236	1/22/19	CHERRYROAD TECHNOLOGIES INC	3007295-IN	Professional Services	41,710.00	0.00	41,710.00	\$41,710.00
xxx310237	1/22/19	CITY OF SAN JOSE - WORK2FUTURE	0004	Contracts/Service Agreements	3,880.95	0.00	3,880.95	\$3,880.95
xxx310238	1/22/19	CORIX WATER PRODUCTS US INC	1771504543RE	Inventory Purchase	-125.25	0.00	-125.25	\$41.07
			17913000430	Inventory Purchase	167.86	1.54	166.32	
xxx310239	1/22/19	DEPT OF FORESTRY & FIRE PROTECTION	154593	Training and Conferences	728.00	0.00	728.00	\$728.00
xxx310240	1/22/19	DIESEL DIRECT WEST INC	82960039	Inventory Purchase	15,933.22	0.00	15,933.22	\$15,933.22
xxx310241	1/22/19	DU-ALL SAFETY	20435	Occupational Health and Safety Services - Other	4,805.00	0.00	4,805.00	\$6,045.00
			20435	Training and Conferences	1,240.00	0.00	1,240.00	
xxx310242	1/22/19	EP 21	0057092-IN	General Supplies	56.52	0.00	56.52	\$56.52
xxx310243	1/22/19	F&M BANK	PRMRYTRTMT	Construction Project Contract Retainage	116,321.52	0.00	116,321.52	\$116,321.52
			2#17					
xxx310244	1/22/19	FERGUSON ENTERPRISES INC	1432685	Inventory Purchase	1,239.88	11.38	1,228.50	\$1,228.50
xxx310245	1/22/19	GOODYEAR COMMERCIAL TIRE & SERVICE CTR	189-1100397	Inventory Purchase	1,730.38	0.00	1,730.38	\$1,730.38
xxx310246	1/22/19	GRAINGER	9056088462	Inventory Purchase	232.51	0.00	232.51	\$232.51
xxx310247	1/22/19	ITRON INC	507784	Inventory Purchase	10,504.82	0.00	10,504.82	\$10,504.82
xxx310248	1/22/19	ICE CENTER OF CUPERTINO	ICE2018ND	Rec Instructors/Officials	2,340.00	0.00	2,340.00	\$2,340.00
xxx310249	1/22/19	INGRAM LIBRARY SERVICES INC	38134621	Library Acquisitions, Books	166.15	0.00	166.15	\$24,160.39
			38134621	Library Materials Preprocessing	9.63	0.00	9.63	
			38134625	Library Acquisitions, Books	760.18	0.00	760.18	
			38134625	Library Materials Preprocessing	810.90	0.00	810.90	
			38134626	Library Acquisitions, Books	1,240.80	0.00	1,240.80	
			38134626	Library Materials Preprocessing	425.64	0.00	425.64	

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			38134627	Library Acquisitions, Books	5,990.33	0.00	5,990.33	
			38134627	Library Materials Preprocessing	353.32	0.00	353.32	
			38134628	Library Acquisitions, Books	9,448.33	0.00	9,448.33	
			38134628	Library Materials Preprocessing	1,466.22	0.00	1,466.22	
			38134629	Library Acquisitions, Books	2,725.08	0.00	2,725.08	
			38134629	Library Materials Preprocessing	763.81	0.00	763.81	
xxx310250	1/22/19	KELLER SUPPLY COMPANY	S012632650.001	Hand Tools	24.02	0.00	24.02	\$129.55
			S012636603.001	General Supplies	105.53	0.00	105.53	
xxx310251	1/22/19	L3 COMMUNICATIONS MOBILE VISION INC	0339056-IN	Comm Equip Maintain & Repair - Labor 1	155.59	0.00	155.59	\$744.45
			0339118-IN	Communication Equipment	588.86	0.00	588.86	
xxx310252	1/22/19	LANCESOFT, INC.	LR-2019-81825	Professional Services	3,000.00	0.00	3,000.00	\$8,312.50
			LR-2019-82514	Professional Services	1,937.50	0.00	1,937.50	
			LR-2019-82849	Professional Services	3,375.00	0.00	3,375.00	
xxx310253	1/22/19	LEVEL 3 COMMUNICATIONS LLC	76776974	Telecommunication Services	3,657.09	0.00	3,657.09	\$3,657.09
xxx310254	1/22/19	MALLORY SAFETY & SUPPLY LLC	4580513	Inventory Purchase	90.25	0.00	90.25	\$234.68
			4580520	Inventory Purchase	144.43	0.00	144.43	
xxx310255	1/22/19	METROPOLITAN PLANNING GROUP	1000789	Professional Services	2,501.25	0.00	2,501.25	\$2,501.25
xxx310256	1/22/19	MICHELLE LIU	CK REQ 19-112	DED Services/Training - Books	62.99	0.00	62.99	\$62.99
xxx310257	1/22/19	MIDPEN HOUSING CORPORATION	1718-832040 #9	Outside Group Funding	11,972.97	0.00	11,972.97	\$11,972.97
xxx310258	1/22/19	MOTOROLA	16030042	Communication Equipment	1,540.17	0.00	1,540.17	\$1,642.21
			16030105	Communication Equipment	102.04	0.00	102.04	
xxx310259	1/22/19	MUNICIPAL MAINTENANCE EQUIPMENT INC	0132796-IN	Miscellaneous Equipment	1,057.85	0.00	1,057.85	\$1,206.05
			0134104-IN	Misc Equip Maint & Repair - Materials	148.20	0.00	148.20	
xxx310260	1/22/19	OVERDRIVE INC	910CO18219954	Library Periodicals/Databases	3,960.22	0.00	3,960.22	\$3,960.22
xxx310261	1/22/19	PACIFIC CREST LANDSCAPE AND MAINTENANCE	34915	Services Maintain Land Improv	560.00	0.00	560.00	\$1,120.00
			35204	Services Maintain Land Improv	560.00	0.00	560.00	
xxx310262	1/22/19	PACIFIC TELEMAGEMENT SERVICES	2010288	Utilities - Telephone	75.00	0.00	75.00	\$75.00
xxx310263	1/22/19	PENINSULA ACADEMY	100001	DED Services/Training - Training	5,400.00	0.00	5,400.00	\$5,400.00
xxx310264	1/22/19	PINE CONE LUMBER CO INC	792876	Materials - Land Improve	47.56	0.00	47.56	\$3,874.54
			793444	Materials - Land Improve	3,826.98	0.00	3,826.98	
xxx310265	1/22/19	QUINCY COMPRESSOR LLC	973710	Facilities Maintenance & Repair Labor	831.23	0.00	831.23	\$1,666.82

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			973711	Facilities Maintenance & Repair Labor	835.59	0.00	835.59	
xxx310266	1/22/19	RAFT RESOURCE AREA FOR TEACHERS	2019-1-3757	Membership Fees	30.00	0.00	30.00	\$30.00
xxx310267	1/22/19	READYREFRESH BY NESTLE	19A5715636006	General Supplies	68.62	0.00	68.62	\$68.62
xxx310268	1/22/19	REED & GRAHAM INC	935226	Materials - Land Improve	851.77	0.00	851.77	\$10,739.88
			937169	Materials - Land Improve	641.84	0.00	641.84	
			937358	Materials - Land Improve	1,000.74	0.00	1,000.74	
			937359	Materials - Land Improve	1,000.74	0.00	1,000.74	
			937492	Materials - Land Improve	962.23	0.00	962.23	
			937640	Materials - Land Improve	876.90	0.00	876.90	
			937711	Materials - Land Improve	2,659.51	0.00	2,659.51	
			937765	Materials - Land Improve	2,746.15	0.00	2,746.15	
xxx310269	1/22/19	ROSS RECREATION EQUIPMENT CO INC	114325	Materials - Land Improve	2,060.90	0.00	2,060.90	\$2,060.90
xxx310270	1/22/19	SANCRA SOUTHERN DIVISION	1150	Miscellaneous Services	175.00	0.00	175.00	\$175.00
xxx310271	1/22/19	SHRED-IT USA	8126309650	Records Related Services	52.97	0.00	52.97	\$52.97
xxx310272	1/22/19	SILICON VALLEY COMMUNITY NEWSPAPERS	0006260564	Advertising Services	1,750.00	0.00	1,750.00	\$1,750.00
xxx310273	1/22/19	SITEONE LANDSCAPE SUPPLY LLC	88675377-001	Materials - Land Improve	714.08	0.00	714.08	\$714.08
xxx310274	1/22/19	SMITHS GOPHER TRAPPING SERVICE	47340	Professional Services	1,275.00	0.00	1,275.00	\$1,275.00
xxx310275	1/22/19	SOFTWARE SOLUTIONS	122418-01	Software Licensing & Support	2,831.50	0.00	2,831.50	\$2,831.50
xxx310276	1/22/19	SRIXON GOLF	5489152 NS	Inventory Purchase	-323.85	0.00	-323.85	\$2,757.11
			5490248 SO	Inventory Purchase	323.85	0.00	323.85	
			60384179 SO	Inventory Purchase	2,068.31	0.00	2,068.31	
			60384183 SO	Inventory Purchase	688.80	0.00	688.80	
xxx310277	1/22/19	STEVENS CREEK QUARRY INC	2850	Materials - Land Improve	1,563.13	0.00	1,563.13	\$1,563.13
xxx310278	1/22/19	STOP PROCESSING CENTER	18013	Financial Services	25.82	0.00	25.82	\$25.82
xxx310279	1/22/19	SUBURBAN PROPANE	2424592	Materials - Land Improve	145.31	0.00	145.31	\$145.31
xxx310280	1/22/19	SUNNYVALE COMMUNITY SERVICES	HPRR 2018/19-1	Outside Group Funding	52,809.64	0.00	52,809.64	\$52,809.64
xxx310281	1/22/19	SUPERIOR PRESS	3923379	Printing & Related Services	202.83	0.00	202.83	\$202.83
xxx310282	1/22/19	UC REGENTS	1002478-184	DED Services/Training - Training	530.50	0.00	530.50	\$983.00
			1003019-181	DED Services/Training - Training	452.50	0.00	452.50	
xxx310283	1/22/19	US HEALTHWORKS MEDICAL GROUP PC	3448212-CA	Pre-Employment Testing	1,235.00	0.00	1,235.00	\$1,235.00

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xxx310284	1/22/19	UNIVERSITY OF CALIFORNIA SANTA CRUZ	58367	DED Services/Training - Training	5,400.00	0.00	5,400.00	\$5,400.00
xxx310285	1/22/19	VMI INC	241971	Misc Equip Maint & Repair - Labor	2,707.50	0.00	2,707.50	\$3,686.08
			241971	Miscellaneous Equipment Parts & Supplies	978.58	0.00	978.58	
xxx310286	1/22/19	VALLEY OIL CO	43515	Water for Resale	261.34	0.00	261.34	\$405.22
			43601	Water for Resale	143.88	0.00	143.88	
xxx310287	1/22/19	VERITIV OPERATING COMPANY	035-32267905	General Supplies	328.96	0.00	328.96	\$328.96
xxx310288	1/22/19	WHCI PLUMBING SUPPLY	S2380508.001	Bldg Maint Matls & Supplies	375.16	0.00	375.16	\$375.16
xxx310289	1/22/19	WOWZY CREATION CORP	92018	General Supplies	141.70	0.00	141.70	\$141.70
xxx310290	1/22/19	WATERSAVERS IRRIGATION INC	2063969-00	Materials - Land Improve	6,980.01	0.00	6,980.01	\$8,158.73
			2066253-00	Misc Equip Maint & Repair - Labor	12.59	0.00	12.59	
			2067664-00	Materials - Land Improve	1,007.03	0.00	1,007.03	
			2072246-00	Materials - Land Improve	159.10	0.00	159.10	
xxx310291	1/22/19	WEATHERSHIELD ROOF SYSTEMS INC	9964	Facilities Maint & Repair - Labor	375.00	0.00	375.00	\$423.00
			9964	Facilities Maint & Repair - Materials	48.00	0.00	48.00	
xxx310292	1/22/19	WEST COAST INDUSTRIAL COATINGS INC	MRYCRSTANK 2#03	Construction Services	124,803.87	0.00	124,803.87	\$124,803.87
xxx310293	1/22/19	WEST VALLEY STAFFING GROUP	242127	Professional Services	1,644.76	0.00	1,644.76	\$4,440.76
			244168	Professional Services	2,138.10	0.00	2,138.10	
			245190	Professional Services	657.90	0.00	657.90	
xxx310294	1/22/19	WESTERN STATES TOOL & SUPPLY CORP	139841A	Inventory Purchase	822.95	0.00	822.95	\$822.95
xxx310295	1/22/19	WINNER CHEVROLET INC	10260	Vehicles & Motorized Equip	23,805.88	0.00	23,805.88	\$119,029.40
			10261	Vehicles & Motorized Equip	23,805.88	0.00	23,805.88	
			10262	Vehicles & Motorized Equip	23,805.88	0.00	23,805.88	
			10267	Vehicles & Motorized Equip	23,805.88	0.00	23,805.88	
			10268	Vehicles & Motorized Equip	23,805.88	0.00	23,805.88	
xxx310296	1/22/19	YAMAHA GOLF CARS OF CALIFORNIA INC	L32494	Misc Equip Maint & Repair - Labor	80.00	0.00	80.00	\$739.52
			L32494	Misc Equip Maint & Repair - Materials	34.94	0.00	34.94	
			L32576	Misc Equip Maint & Repair - Labor	420.00	0.00	420.00	
			L32576	Misc Equip Maint & Repair - Materials	204.58	0.00	204.58	
xxx310297	1/22/19	ZAP MANUFACTURING INC	2126	Materials - Land Improve	327.00	0.00	327.00	\$327.00
xxx310298	1/22/19	ALAMEDA COUNTY	02/25-03/08/19	Training and Conferences	188.00	0.00	188.00	\$188.00

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xxx310299	1/22/19	PACIFIC GAS & ELECTRIC CO	05225890201218	Utilities - Gas	317.55	0.00	317.55	\$9,309.61
			05225892761218	Utilities - Electric	2,400.24	0.00	2,400.24	
			05225894561218	Utilities - Electric	1,316.75	0.00	1,316.75	
			06025923001218	Utilities - Electric	15.49	0.00	15.49	
			06037193331218	Utilities - Electric	0.07	0.00	0.07	
			06040860491218	Utilities - Electric	23.84	0.00	23.84	
			06072000411218	Utilities - Electric	15.57	0.00	15.57	
			06075132701218	Utilities - Electric	14.47	0.00	14.47	
			06075133001218	Utilities - Electric	11.25	0.00	11.25	
			06075135281218	Utilities - Electric	35.64	0.00	35.64	
			06075135641218	Utilities - Electric	6.86	0.00	6.86	
			06075139671218	Utilities - Electric	0.43	0.00	0.43	
			06081240041218	Utilities - Electric	40.75	0.00	40.75	
			100023460119	Utilities - Electric	1,328.35	0.00	1,328.35	
			14823837851218	Utilities - Electric	35.88	0.00	35.88	
			18068041901218	Utilities - Electric	79.08	0.00	79.08	
			19867842521218	Utilities - Electric	35.24	0.00	35.24	
			38257235831218	Utilities - Electric	70.98	0.00	70.98	
			39509111001218	Utilities - Electric	36.43	0.00	36.43	
			43142590151218	Utilities - Gas	7.85	0.00	7.85	
			43142590251218	Utilities - Gas	54.50	0.00	54.50	
			43142590301218	Utilities - Gas	97.85	0.00	97.85	
			43142591281218	Utilities - Electric	475.94	0.00	475.94	
			43142597201218	Utilities - Electric	749.02	0.00	749.02	
			43142597641218	Utilities - Electric	1,232.96	0.00	1,232.96	
			43142599651218	Utilities - Electric	631.42	0.00	631.42	
			48131400741218	Utilities - Electric	10.63	0.00	10.63	
			63004478111218	Utilities - Electric	51.24	0.00	51.24	
			66172622091218	Utilities - Electric	22.06	0.00	22.06	
			97306197491218	Utilities - Electric	6.99	0.00	6.99	
			97322830181218	Utilities - Electric	111.25	0.00	111.25	

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			97322834741218	Utilities - Electric	22.91	0.00	22.91	
			97386482121218	Utilities - Electric	50.12	0.00	50.12	
xxx310302	1/22/19	STATE WATER RESOURCES CONTROL BOARD	WD-0151801	Miscellaneous Services	218.00	0.00	218.00	\$218.00
xxx310303	1/22/19	STATE WATER RESOURCES CONTROL BOARD	BATENGA G2CERT	Membership Fees	170.00	0.00	170.00	\$635.00
			BATENGA G3EXAM	Membership Fees	295.00	0.00	295.00	
			CAIN G2 CERT	Membership Fees	170.00	0.00	170.00	
xxx310304	1/22/19	VIJAYA PARAMESWARAN	193285-12382	Refund Utility Account Credit	305.19	0.00	305.19	\$305.19
xxx310305	1/24/19	ACUSHNET CO	300208682	Inventory Purchase	-1,536.00	0.00	-1,536.00	\$2,678.50
			906809937	Inventory Purchase	1,152.00	0.00	1,152.00	
			906821520	Inventory Purchase	3,062.50	0.00	3,062.50	
xxx310306	1/24/19	ADIDAS AMERICA INC.	6176962672	Inventory Purchase	276.46	39.18	237.28	\$237.28
xxx310307	1/24/19	ADVANCED PC CONCEPTS	1376	City Training Program	1,200.00	0.00	1,200.00	\$1,200.00
xxx310308	1/24/19	ASCENT ENVIRONMENTAL	18010084.01-2	Developer Passthroughs-Downtown Projects	21,796.50	0.00	21,796.50	\$21,796.50
xxx310309	1/24/19	BADGER METER INC	1276685	Inventory Purchase	23,315.04	0.00	23,315.04	\$23,315.04
xxx310310	1/24/19	BAY AREA NEWS GROUP DIGITAL FIRST MEDIA	0006249234	Advertising Services	89.00	0.00	89.00	\$328.00
			0006256264	Advertising Services	89.00	0.00	89.00	
			0006256272	Advertising Services	86.00	0.00	86.00	
			0006264995	Advertising Services	64.00	0.00	64.00	
xxx310311	1/24/19	BELL ELECTRICAL SUPPLY	5566196	Electrical Parts & Supplies	77.26	0.00	77.26	\$77.26
xxx310312	1/24/19	BIBLIOTHECA LLC	SI0046977-US	Library Periodicals/Databases	2,012.12	0.00	2,012.12	\$2,012.12
xxx310313	1/24/19	BOUND TREE MEDICAL LLC	83087019	Inventory Purchase	2,493.37	0.00	2,493.37	\$2,493.37
xxx310314	1/24/19	BUCKLES-SMITH ELECTRIC CO	3128630-00	Electrical Parts & Supplies	745.96	0.00	745.96	\$745.96
xxx310315	1/24/19	CALIFORNIA DEPT OF TAX AND FEE	JAN-DEC2018	Taxes & Licenses - Misc	16.94	0.00	16.94	\$16.94
xxx310316	1/24/19	CALTRONICS BUSINESS SYSTEMS	2686389	Equipment Rental/Lease	11,082.56	0.00	11,082.56	\$11,229.05
			2690120	Equipment Rental/Lease	146.49	0.00	146.49	
xxx310317	1/24/19	CENTURY GRAPHICS	50229	Clothing, Uniforms & Access	1,217.90	0.00	1,217.90	\$18,070.65
			50231	Clothing, Uniforms & Access	146.90	0.00	146.90	
			50232	Clothing, Uniforms & Access	2,510.03	0.00	2,510.03	

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			50233	Clothing, Uniforms & Access	197.09	0.00	197.09	
			50234	Clothing, Uniforms & Access	12,072.40	0.00	12,072.40	
			50235	Clothing, Uniforms & Access	1,164.69	0.00	1,164.69	
			50297	Clothing, Uniforms & Access	65.87	0.00	65.87	
			50298	Clothing, Uniforms & Access	231.30	0.00	231.30	
			50688	Clothing, Uniforms & Access	292.12	0.00	292.12	
			50689	Clothing, Uniforms & Access	76.71	0.00	76.71	
			50690	Clothing, Uniforms & Access	68.34	0.00	68.34	
			50724	Clothing, Uniforms & Access	27.30	0.00	27.30	
xxx310318	1/24/19	CHICOBAG CO	CI-0000031969	Advertising Services	1,553.31	0.00	1,553.31	\$1,553.31
xxx310319	1/24/19	CITY OF SAN JOSE - WORK2FUTURE	0005	Contracts/Service Agreements	5,576.04	0.00	5,576.04	\$5,576.04
xxx310320	1/24/19	CITY OF SANTA CLARA MUNICIPAL UTILITIES	JAN2019	Utilities - Electric	545.68	0.00	545.68	\$545.68
xxx310321	1/24/19	CORIX WATER PRODUCTS US INC	17813041071	Miscellaneous Equipment Parts & Supplies	679.71	0.00	679.71	\$679.71
xxx310322	1/24/19	COUNTY OF SANTA CLARA OFC OF THE SHERIFF	1800065698	Real Property Rental/Lease	1,455.00	0.00	1,455.00	\$1,455.00
xxx310323	1/24/19	DEL GAVIO GROUP	8732	Miscellaneous Equipment	8,452.60	0.00	8,452.60	\$8,452.60
xxx310324	1/24/19	DELL MARKETING LP	10293289968	Computer Hardware	298.86	0.00	298.86	\$298.86
xxx310325	1/24/19	DEPARTMENT OF JUSTICE	343858	Pre-Employment Testing	576.00	0.00	576.00	\$1,152.00
			349590	Pre-Employment Testing	576.00	0.00	576.00	
xxx310326	1/24/19	DETAIL PLUS	42140	Automotive Maintenance & Repair Labor	165.00	0.00	165.00	\$165.00
xxx310327	1/24/19	DISCOUNT SCHOOL SUPPLY	W32557540102	General Supplies	317.09	0.00	317.09	\$317.09
xxx310328	1/24/19	EOA INC	SU60-0718	Professional Services	8,882.13	0.00	8,882.13	\$10,807.36
			SU60-1018	Professional Services	1,429.82	0.00	1,429.82	
			SU60-1118	Professional Services	495.41	0.00	495.41	
xxx310329	1/24/19	FITGUARD INC	0000153678	Facilities Maintenance & Repair Labor	145.00	0.00	145.00	\$145.00
xxx310330	1/24/19	FOSTER BROS SECURITY SYSTEMS INC	306436	Miscellaneous Services	47.08	0.00	47.08	\$47.08
xxx310331	1/24/19	GRM INFORMATION MANAGEMENT SERVICES	0097478	Records Related Services	1,765.69	0.00	1,765.69	\$1,765.69
xxx310332	1/24/19	GARDENLAND POWER EQUIPMENT	637707	Misc Equip Maint & Repair - Materials	111.23	0.00	111.23	\$2,782.09
			637995	Misc Equip Maint & Repair - Materials	2,266.93	0.00	2,266.93	
			638011	Hand Tools	403.93	0.00	403.93	

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xxx310333	1/24/19	GRAINGER	9057323959	Inventory Purchase	85.36	0.00	85.36	\$506.37
			9057602212	Inventory Purchase	170.72	0.00	170.72	
			9057847288	Inventory Purchase	170.72	0.00	170.72	
			9958125362	General Supplies	79.57	0.00	79.57	
xxx310334	1/24/19	GRANITEROCK CO	1149171	Materials - Land Improve	858.27	0.00	858.27	\$858.27
xxx310335	1/24/19	HIGH LINE SOFTWARE INC	1195	Professional Services	150.00	0.00	150.00	\$150.00
xxx310336	1/24/19	IMPERIAL SPRINKLER SUPPLY	3553813-00	Materials - Land Improve	128.34	0.00	128.34	\$365.52
			3564502-00	Materials - Land Improve	169.84	0.00	169.84	
			3566497-00	General Supplies	67.34	0.00	67.34	
xxx310337	1/24/19	JACQUELINE R ORRELL	MASP003	General Supplies	300.00	0.00	300.00	\$300.00
xxx310338	1/24/19	JOHNSON CONTROLS FIRE PROTECTION LP	20698601	Facilities Maintenance & Repair Labor	1,262.00	0.00	1,262.00	\$5,731.25
			20698740	Facilities Maintenance & Repair Labor	247.50	0.00	247.50	
			20698850	Facilities Maintenance & Repair Labor	647.50	0.00	647.50	
			20698876	Facilities Maintenance & Repair Labor	550.00	0.00	550.00	
			20698877	Facilities Maintenance & Repair Labor	680.00	0.00	680.00	
			20698913	Facilities Maintenance & Repair Labor	720.00	0.00	720.00	
			20699006	Facilities Maintenance & Repair Labor	597.50	0.00	597.50	
			20699074	Facilities Maintenance & Repair Labor	1,026.75	0.00	1,026.75	
xxx310339	1/24/19	KOHLWEISS INC	01PV6015	Inventory Purchase	41.20	0.82	40.38	\$2,150.38
			01PV6104	Inventory Purchase	958.44	19.17	939.27	
			01PV6123	Inventory Purchase	1,194.62	23.89	1,170.73	
xxx310340	1/24/19	L N CURTIS & SONS INC	INV230762	Clothing, Uniforms & Access	2,223.60	0.00	2,223.60	\$3,203.14
			INV248169	Clothing, Uniforms & Access	512.30	0.00	512.30	
			INV249227	Inventory Purchase	467.24	0.00	467.24	
xxx310342	1/24/19	LANCESOFT, INC.	LR-2019-84030	Professional Services	4,812.50	0.00	4,812.50	\$4,812.50
xxx310343	1/24/19	LAWSON PRODUCTS INC	9306393464	Miscellaneous Equipment Parts & Supplies	508.84	0.00	508.84	\$508.84
xxx310344	1/24/19	LEVEL 3 COMMUNICATIONS LLC	76797596	Telecommunication Services	4,757.87	0.00	4,757.87	\$4,757.87
xxx310345	1/24/19	LOZANO SUNNYVALE CAR WASH	054	Auto Maint & Repair - Labor	2,275.00	0.00	2,275.00	\$3,517.50
			055	Auto Maint & Repair - Labor	1,242.50	0.00	1,242.50	
xxx310346	1/24/19	MALLORY SAFETY & SUPPLY LLC	4535979	Mailing & Delivery Services	9.01	0.00	9.01	\$952.67
			4545830	Mailing & Delivery Services	9.03	0.00	9.03	

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			4575436	Miscellaneous Equipment Parts & Supplies	934.63	0.00	934.63	
xxx310347	1/24/19	MILLER MANAGEMENT AND CONSULTING GROUP	18-02062019-42	Training and Conferences	1,225.00	0.00	1,225.00	\$1,225.00
xxx310348	1/24/19	MIRACLE PLAY SYSTEMS	F2019-0015	Materials - Land Improve	186.19	0.00	186.19	\$186.19
xxx310349	1/24/19	MONTEREY MECHANICAL CO	70-2909 3 REV	Salaries - Contract Personnel	19,370.00	0.00	19,370.00	\$19,370.00
xxx310350	1/24/19	NETFILE INC	5935	Software As a Service	4,162.50	0.00	4,162.50	\$4,162.50
xxx310351	1/24/19	NORTH STATE ENVIRONMENTAL	050574	HazMat Disposal - Hazardous Waste Disposal	4,854.72	0.00	4,854.72	\$4,854.72
xxx310352	1/24/19	NORTHERN UNDERGROUND CONSTRUCTION INC.	CWH2OLINE17#04	Construction Services	475,193.75	0.00	475,193.75	\$475,193.75
xxx310353	1/24/19	NUTRIEN AG SOLUTIONS, INC	37904374	Materials - Land Improve	13,472.40	0.00	13,472.40	\$13,472.40
xxx310354	1/24/19	OLDCASTLE PRECAST INC	500023563	Construction Services	85.00	0.00	85.00	\$85.00
xxx310355	1/24/19	POLYDYNE INC	1310118	Chemicals	49,579.82	0.00	49,579.82	\$49,579.82
xxx310356	1/24/19	RACY MING ASSOC LLC	DEC2018	Contracts/Service Agreements	14,850.00	0.00	14,850.00	\$14,850.00
xxx310357	1/24/19	READYREFRESH BY NESTLE	18L5727863002	General Supplies	36.17	0.00	36.17	\$98.76
			19A0023956113	Food Products	32.91	0.00	32.91	
			19A5740132005	Miscellaneous Services	29.68	0.00	29.68	
xxx310358	1/24/19	REEDS INDOOR RANGE	570469	Real Property Rental/Lease	56.00	0.00	56.00	\$56.00
xxx310359	1/24/19	SC FUELS	3807821	Inventory Purchase	20,470.63	0.00	20,470.63	\$20,470.63
xxx310360	1/24/19	SFO REPROGRAPHICS	52558	Printing & Related Services	54.50	0.00	54.50	\$895.06
			52880	Printing & Related Services	115.54	0.00	115.54	
			52908	Printing & Related Services	81.53	0.00	81.53	
			53162	Printing & Related Services	61.91	0.00	61.91	
			53229	Printing & Related Services	76.30	0.00	76.30	
			53297	Printing & Related Services	341.34	0.00	341.34	
			53738	Printing & Related Services	163.94	0.00	163.94	
xxx310361	1/24/19	SAFEWAY INC	801116-012219	Inventory Purchase	24.86	0.00	24.86	\$174.94
			804702-121718	Inventory Purchase	28.35	0.00	28.35	
			805572-011719	Inventory Purchase	121.73	0.00	121.73	
xxx310362	1/24/19	SANTA CLARA COUNTY VECTOR CONTROL DIST	070118-063019	Taxes & Licenses	971.19	0.00	971.19	\$971.19
xxx310363	1/24/19	SHALEK CHAPPILL	SVL1.2019	Professional Services	500.00	0.00	500.00	\$500.00

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xxx310364	1/24/19	SIERRA DISPLAY INC	23546	Professional Services	13,740.47	0.00	13,740.47	\$13,740.47
xxx310365	1/24/19	SIERRA PACIFIC TURF SUPPLY INC	0540233-IN	Materials - Land Improve	705.39	0.00	705.39	\$705.39
xxx310366	1/24/19	SUBURBAN PROPANE	10354	Fuel, Oil & Lubricants	145.00	0.00	145.00	\$145.00
xxx310367	1/24/19	SUPERIOR PRESS	3914556	Printing & Related Services	83.34	0.00	83.34	\$83.34
xxx310368	1/24/19	TIBURON INC	PA0002158	Software Licensing & Support	137,840.00	0.00	137,840.00	\$137,840.00
xxx310369	1/24/19	US PIPE FABRICATION	INV106287	Miscellaneous Equipment Parts & Supplies	1,842.53	0.00	1,842.53	\$1,842.53
xxx310370	1/24/19	UNITED PARCEL SERVICE	0000966608488	Mailing & Delivery Services	238.73	0.00	238.73	\$238.73
xxx310371	1/24/19	UNITED ROTARY BRUSH CORP	CI229662	Inventory Purchase	3,044.94	0.00	3,044.94	\$3,044.94
xxx310372	1/24/19	VALLEY OIL CO	957586	Inventory Purchase	14,760.44	0.00	14,760.44	\$14,760.44
xxx310373	1/24/19	W G FRITZ CONSTRUCTION INC	4011	Facilities Maint & Repair - Labor	3,574.37	0.00	3,574.37	\$3,574.37
xxx310374	1/24/19	WOWZY CREATION CORP	91877	General Supplies	172.96	0.00	172.96	\$172.96
xxx310375	1/24/19	WAUKESHA PEARCE INDUSTRIES	403273	Miscellaneous Equipment Parts & Supplies	743.26	0.00	743.26	\$743.26
xxx310376	1/24/19	WEST COAST COATING CONSULTANTS LLC	1478	Consultants	9,586.00	0.00	9,586.00	\$9,586.00
xxx310377	1/24/19	WEST LITE SUPPLY CO INC	73424H	Electrical Parts & Supplies	188.88	0.00	188.88	\$724.78
			73609H	Electrical Parts & Supplies	535.90	0.00	535.90	
xxx310378	1/24/19	ZAP MANUFACTURING INC	2125	Materials - Land Improve	4,950.50	0.00	4,950.50	\$4,950.50
xxx310379	1/24/19	WAITER.COM INC	J0115697210	Food Products	116.92	0.00	116.92	\$116.92
xxx310380	1/24/19	KIRBY CANYON RECYCLING & DISPOSAL FAC	DEC2018	Landfill Fees to be Allocated	855,553.61	0.00	855,553.61	\$855,553.61
xxx310381	1/24/19	LC ACTION POLICE SUPPLY	390075	Ballistic Equipment - Body Armor/Vests	829.76	0.00	829.76	\$8,933.74
			390160	Ballistic Equipment - Body Armor/Vests	829.76	0.00	829.76	
			390162	Ballistic Equipment - Body Armor/Vests	829.76	0.00	829.76	
			390294	Clothing, Uniforms & Access	136.90	0.00	136.90	
			390295	Clothing, Uniforms & Access	32.48	0.00	32.48	
			390469	Clothing, Uniforms & Access	55.05	0.00	55.05	
			390470	Clothing, Uniforms & Access	85.23	0.00	85.23	
			390636	Ballistic Equipment - Body Armor/Vests	829.76	0.00	829.76	
			390637	Ballistic Equipment - Body Armor/Vests	829.76	0.00	829.76	
			390858	Clothing, Uniforms & Access	151.15	0.00	151.15	
			390859	Clothing, Uniforms & Access	1,005.09	0.00	1,005.09	
			391010	Ballistic Equipment - Body Armor/Vests	829.76	0.00	829.76	

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			391011	Ballistic Equipment - Body Armor/Vests	829.76	0.00	829.76	
			391012	Ballistic Equipment - Body Armor/Vests	829.76	0.00	829.76	
			391013	Ballistic Equipment - Body Armor/Vests	829.76	0.00	829.76	
xxx310383	1/24/19	UNITED STATES POSTAL SERVICE	8050365-012219	Inventory Purchase	20,000.00	0.00	20,000.00	\$20,000.00
xxx310384	1/24/19	CALIFORNIA TRENCHLESS INC	194343-58872	Refund Utility Account Credit	4,433.16	0.00	4,433.16	\$4,433.16
xxx310385	1/24/19	GRAHAM CONTRACTORS INC	192781-71022	Refund Utility Account Credit	4,290.98	0.00	4,290.98	\$4,290.98
xxx310386	1/24/19	SANCO PIPELINES	193263-32106	Refund Utility Account Credit	4,212.30	0.00	4,212.30	\$4,212.30
xxx310387	1/24/19	UNITED STATES POSTAL SERVICE	P#584-012319	Postage	10,218.37	0.00	10,218.37	\$10,218.37
xxx310393	1/24/19	HDL SOFTWARE LLC	0013537-IN	Software As a Service	2,490.00	0.00	2,490.00	\$2,760.00
			0013661-IN	Software As a Service	270.00	0.00	270.00	
xxx100787	1/22/19	SFPUC WATER DEPARTMENT	120418-010219	Water for Resale	821,261.73	0.00	821,261.73	\$1,008,414.73
			120418-010219	Purchased Water Related Expenses - Meter Charges	22,939.00	0.00	22,939.00	
			120418-010219	BAWSCA Surcharge	164,214.00	0.00	164,214.00	
xxx100788	1/23/19	SANTA CLARA VALLEY WATER DISTRICT	TI002256	Water for Resale	894,471.79	0.00	894,471.79	\$894,471.79
xxx100789	1/23/19	WELLS FARGO BANK	01222019	Purchasing Card Statement	112,051.90	0.00	112,051.90	\$112,051.90
xxx100790	1/22/19	SPECIALTY SOLID WASTE & RECYCLING INC	DEC2018	Franchise - Specialty Garbage	-168,887.91	0.00	-168,887.91	\$1,477,613.47
			DEC2018	Liquidated Damages	-3,900.00	0.00	-3,900.00	
			DEC2018	Refuse Serv Fees - Specialty	-216,969.14	0.00	-216,969.14	
			DEC2018	Pymt to Franch Garb Collector	1,867,370.52	0.00	1,867,370.52	
xxx906491	1/24/19	KEENAN & ASSOCIATES		Workers' Compensation - Claims	489,999.00	0.00	489,999.00	\$489,999.00
Grand Total Payment Amount								<u>\$8,723,205.79</u>

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xxx9288	1/30/19	ABEL A VARGAS	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	214.55	0.00	214.55	\$214.55
xxx9289	1/30/19	AIMEE FOSBENNER	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	233.69	0.00	233.69	\$233.69
xxx9290	1/30/19	ALI FATAPOUR	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	2,011.50	0.00	2,011.50	\$2,011.50
xxx9291	1/30/19	ANNABEL YURUTUCU	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	649.07	0.00	649.07	\$649.07
xxx9292	1/30/19	BRICE MCQUEEN	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	1,344.82	0.00	1,344.82	\$1,344.82
xxx9293	1/30/19	BYRON K PIPKIN	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	937.56	0.00	937.56	\$937.56
xxx9294	1/30/19	CATHY HAYNES	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	1,374.86	0.00	1,374.86	\$1,374.86
xxx9295	1/30/19	CHRIS CARRION	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	749.50	0.00	749.50	\$749.50
xxx9296	1/30/19	CORYN CAMPBELL	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	330.86	0.00	330.86	\$330.86
xxx9297	1/30/19	DAN HAMMONS	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	1,064.36	0.00	1,064.36	\$1,064.36
xxx9298	1/30/19	DAVID A LEWIS	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	649.07	0.00	649.07	\$649.07
xxx9299	1/30/19	DAVID KAHN	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	761.63	0.00	761.63	\$761.63
xxx9300	1/30/19	DAVID L VERBRUGGE	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	1,413.19	0.00	1,413.19	\$1,413.19
xxx9301	1/30/19	DEAN CHU	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	1,058.15	0.00	1,058.15	\$1,058.15
xxx9302	1/30/19	DON JOHNSON	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	383.38	0.00	383.38	\$383.38
xxx9303	1/30/19	DOUGLAS MORETTO						\$1,120.01

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			FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	1,120.01	0.00	1,120.01	
xxx9304	1/30/19	ENCARNACION HERNANDEZ	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	113.38	0.00	113.38	\$113.38
xxx9305	1/30/19	ERWIN YOUNG	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	749.50	0.00	749.50	\$749.50
xxx9306	1/30/19	ESTRELLA KAWCZYNSKI	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	187.74	0.00	187.74	\$187.74
xxx9307	1/30/19	EUGENE J WADDELL	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	424.68	0.00	424.68	\$424.68
xxx9308	1/30/19	FRANK J GRGURINA	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	560.01	0.00	560.01	\$560.01
xxx9309	1/30/19	GAIL SWEGLES	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	98.02	0.00	98.02	\$98.02
xxx9310	1/30/19	GARY K CARLS	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	349.24	0.00	349.24	\$349.24
xxx9311	1/30/19	GARY LUEBBERS	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	362.76	0.00	362.76	\$362.76
xxx9312	1/30/19	GREGORY E KEVIN	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	745.56	0.00	745.56	\$745.56
xxx9313	1/30/19	JAMES BOUZIANE	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	749.50	0.00	749.50	\$749.50
xxx9314	1/30/19	JEFFREY PLECQUE	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	1,198.56	0.00	1,198.56	\$1,198.56
xxx9315	1/30/19	JEROME P AMMERMAN	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	659.06	0.00	659.06	\$659.06
xxx9316	1/30/19	JOHN DEBATTISTA	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	214.55	0.00	214.55	\$214.55
xxx9317	1/30/19	JOHN HOWE	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	649.07	0.00	649.07	\$649.07
xxx9318	1/30/19	JOHN S WITTHAUS	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	1,374.86	0.00	1,374.86	\$1,374.86
xxx9319	1/30/19	KAREN WOBLESKY						\$1,344.82

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			FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	1,344.82	0.00	1,344.82	
xxx9320	1/30/19	KELLY FITZGERALD	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	745.56	0.00	745.56	\$745.56
xxx9321	1/30/19	KELLY MENEHAN	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	233.69	0.00	233.69	\$233.69
xxx9322	1/30/19	KLAUS DAEHNE	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	449.70	0.00	449.70	\$449.70
xxx9323	1/30/19	MARK G PETERSEN	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	1,374.86	0.00	1,374.86	\$1,374.86
xxx9324	1/30/19	MARK STIVERS	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	745.56	0.00	745.56	\$745.56
xxx9325	1/30/19	MARVIN A ROSE	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	563.72	0.00	563.72	\$563.72
xxx9326	1/30/19	MICHAEL A CHAN	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	2,011.50	0.00	2,011.50	\$2,011.50
xxx9327	1/30/19	PETE GONDA	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	1,646.90	0.00	1,646.90	\$1,646.90
xxx9328	1/30/19	UNIT #303	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	361.17	0.00	361.17	\$361.17
xxx9329	1/30/19	ROBERT WALKER	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	1,945.72	0.00	1,945.72	\$1,945.72
xxx9330	1/30/19	RONALD DALBA	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	745.56	0.00	745.56	\$745.56
xxx9331	1/30/19	SCOTT MORTON	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	659.06	0.00	659.06	\$659.06
xxx9332	1/30/19	SILVIA MARTINS	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	749.50	0.00	749.50	\$749.50
xxx9333	1/30/19	SIMON C LEMUS	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	1,385.92	0.00	1,385.92	\$1,385.92
xxx9334	1/30/19	STEPHEN QUICK	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	1,374.86	0.00	1,374.86	\$1,374.86
xxx9335	1/30/19	STEVEN D PIGOTT						\$591.23

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			FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	591.23	0.00	591.23	
xxx9336	1/30/19	TAMMY PARKHURST	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	330.86	0.00	330.86	\$330.86
xxx9337	1/30/19	THERESE BALBO	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	1,481.51	0.00	1,481.51	\$1,481.51
xxx9338	1/30/19	TIM CARLYLE	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	745.56	0.00	745.56	\$745.56
xxx9339	1/30/19	TIM JOHNSON	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	745.56	0.00	745.56	\$745.56
xxx9340	1/30/19	VINCENT CHETCUTI	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	2,011.50	0.00	2,011.50	\$2,011.50
xxx9341	1/30/19	WILLIAM BIELINSKI	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	330.86	0.00	330.86	\$330.86
xxx310394	1/29/19	4LEAF INC	J3567P	Consultants	32,260.00	0.00	32,260.00	\$32,260.00
xxx310395	1/29/19	AT&T	000012446161	Utilities - Telephone	307.15	0.00	307.15	\$307.15
xxx310396	1/29/19	AON RISK INSURANCE SERVICES WEST INC	8200000252728	Insurances - Fidelity	2,750.00	0.00	2,750.00	\$2,750.00
xxx310397	1/29/19	ARNE SIGN & DECAL CO INC	19-11382	Parts, Vehicles & Motor Equip	632.20	0.00	632.20	\$632.20
xxx310398	1/29/19	BAKER & TAYLOR	4012419751	Library Acquisitions, Books	278.88	0.00	278.88	\$286.63
			4012419751	Library Materials Preprocessing	7.75	0.00	7.75	
xxx310399	1/29/19	BELKORP AG LLC	511181	Parts, Vehicles & Motor Equip	371.68	0.00	371.68	\$781.32
			511327	Parts, Vehicles & Motor Equip	32.93	0.00	32.93	
			512103	Parts, Vehicles & Motor Equip	376.71	0.00	376.71	
xxx310400	1/29/19	BIGGS CARDOSA ASSOC INC	74891	Consultants	4,966.34	0.00	4,966.34	\$4,966.34
xxx310401	1/29/19	BOUND TREE MEDICAL LLC	83024798	Supplies, First Aid	626.04	0.00	626.04	\$885.42
			83073758	Supplies, First Aid	259.38	0.00	259.38	
xxx310402	1/29/19	BRAD COX ARCHITECT INC	BCA18-09	Engineering Services	2,193.40	0.00	2,193.40	\$2,193.40
xxx310403	1/29/19	CWEA	FEB/13/2019	Training and Conferences	145.00	0.00	145.00	\$145.00
xxx310404	1/29/19	CWEA SCVS	FEB/19/2019	Training and Conferences	65.00	0.00	65.00	\$65.00
xxx310405	1/29/19	CALIFA GROUP	1880	Library Periodicals/Databases	5,508.00	0.00	5,508.00	\$5,508.00
xxx310406	1/29/19	CAROLLO ENGINEERS	0171550	Engineering Services	132,422.00	0.00	132,422.00	\$150,449.67

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			0172254	Engineering Services	18,027.67	0.00	18,027.67	
xxx310407	1/29/19	CENTRAL MEDICAL LABORATORY INC	17846	Medical Services	1,610.00	0.00	1,610.00	\$1,610.00
xxx310408	1/29/19	DAHLLIN GROUP	1811-144	Consultants	11,458.18	0.00	11,458.18	\$15,946.18
			1811-249	Consultants	4,488.00	0.00	4,488.00	
xxx310409	1/29/19	E-Z-GO TEXTRON INC	91674711	Parts, Vehicles & Motor Equip	262.25	0.00	262.25	\$262.25
xxx310410	1/29/19	EBSCO INFORMATION SERVICES	1000094275-1	Library Periodicals/Databases	516.39	0.00	516.39	\$516.39
xxx310411	1/29/19	ENVIRONMENTAL RESOURCE ASSOC	868768	General Supplies	691.17	0.00	691.17	\$691.17
xxx310412	1/29/19	F&M BANK	PRMRYTRTMT 2#16	Construction Project Contract Retainage	121,862.50	0.00	121,862.50	\$121,862.50
xxx310413	1/29/19	FIRST UNITED METHODIST CHURCH SUNNYVALE	2	Outside Group Funding	7,750.00	0.00	7,750.00	\$7,750.00
xxx310414	1/29/19	FLEETPRIDE INC	16166406	Parts, Vehicles & Motor Equip	154.92	0.00	154.92	\$154.92
xxx310415	1/29/19	JAKES OF SUNNYVALE	11419	Food Products	244.81	0.00	244.81	\$244.81
xxx310416	1/29/19	KIMLEY HORN & ASSOC INC	12050278	Engineering Services	2,503.60	0.00	2,503.60	\$2,503.60
xxx310417	1/29/19	KRONOS INC	11408638	Computer Software	639.33	0.00	639.33	\$639.33
xxx310418	1/29/19	LC ACTION POLICE SUPPLY	385008	General Supplies	114.45	0.00	114.45	\$4,878.57
			386786	General Supplies	31.61	0.00	31.61	
			389675	General Supplies	4,366.27	0.00	4,366.27	
			390285	General Supplies	366.24	0.00	366.24	
xxx310419	1/29/19	LCPTRACKER INC	IR-09375	Software Licensing & Support	112.50	0.00	112.50	\$112.50
xxx310420	1/29/19	MIDWEST TAPE	96682545	Library Acquis, Audio/Visual	-32.67	0.00	-32.67	\$124.98
			96768808	Library Acquis, Audio/Visual	92.90	0.00	92.90	
			96804620	Library Materials Preprocessing	64.75	0.00	64.75	
xxx310421	1/29/19	NEOPOST USA INC.	15492018	General Supplies	345.52	0.00	345.52	\$650.72
			15578003	General Supplies	305.20	0.00	305.20	
xxx310422	1/29/19	NIELSEN MERKSAMER PARRINELLO GROSS &	185677	Legal Services	12,504.63	0.00	12,504.63	\$12,504.63
xxx310423	1/29/19	NUTRIEN AG SOLUTIONS, INC	37963770	Chemicals	5,810.49	0.00	5,810.49	\$5,810.49
xxx310424	1/29/19	OVERDRIVE INC	910CO1900880	Library Periodicals/Databases	7,313.00	0.00	7,313.00	\$11,836.60
			910CO1900965	Library Periodicals/Databases	3,441.96	0.00	3,441.96	
			910CO19009976	Library Periodicals/Databases	1,081.64	0.00	1,081.64	
xxx310425	1/29/19	P&A ADMINISTRATIVE SERVICES INC						\$1,078.50

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			F82280393455	Insurances - Depend Care & Health Care	660.00		0.00	660.00	
				Rmb Admin Fees					
			SUNP190116201	Miscellaneous Payment	418.50		0.00	418.50	
			9						
xxx310426	1/29/19	PATRICIA GRANT	SEPT/15/2018	Community Services Grant	450.00		0.00	450.00	\$450.00
xxx310427	1/29/19	READYREFRESH BY NESTLE	09A0035365238	Miscellaneous Services	32.69		0.00	32.69	\$32.69
xxx310428	1/29/19	RECORDED BOOKS INC	76164174	Library Periodicals/Databases	7,300.00		0.00	7,300.00	\$7,300.00
xxx310429	1/29/19	SAFEWAY INC	431965-012419	Food Products	6.99		0.00	6.99	\$109.05
			438647-011719	Food Products	42.62		0.00	42.62	
			438647-011719	General Supplies	12.50		0.00	12.50	
			804951-011619	General Supplies	29.99		0.00	29.99	
			808871-011719	Food Products	16.95		0.00	16.95	
xxx310430	1/29/19	SANTA CLARA VALLEY WATER DISTRICT	GM101291	Taxes & Licenses - Misc	8,236.71		0.00	8,236.71	\$8,236.71
xxx310431	1/29/19	SANTA CLARA VLY TRANSPORTATION AUTHORITY	0000019419	DED Services/Training - Transportation	35.00		0.00	35.00	\$35.00
xxx310432	1/29/19	SILVER & WRIGHT LLP	25366	Legal Services	13,976.50		0.00	13,976.50	\$13,976.50
xxx310433	1/29/19	SUNNYVALE COMMUNITY SERVICES	1819-827550 #2	Outside Group Funding	86,900.00		0.00	86,900.00	\$86,900.00
xxx310434	1/29/19	SUPPLYWORKS	474495611	Inventory Purchase	872.48		8.00	864.48	\$864.48
xxx310435	1/29/19	T-MOBILE USA INC	9336548053	Utilities - Mobile Phones - City Mobile Phones	51.00		0.00	51.00	\$51.00
xxx310436	1/29/19	TOGOS SUNNYVALE	3	Food Products	149.00		0.00	149.00	\$503.30
			4	Food Products	108.80		0.00	108.80	
			5	Food Products	245.50		0.00	245.50	
xxx310437	1/29/19	UNIQUE MANAGEMENT SERVICES INC	492999	Financial Services	635.45		0.00	635.45	\$635.45
xxx310438	1/29/19	UNITED SITE SERVICES INC	114-7601484	Equipment Rental/Lease	305.11		0.00	305.11	\$550.11
			114-7756849	Equipment Rental/Lease	245.00		0.00	245.00	
xxx310439	1/29/19	UNIVAR USA INC	SJ921055	Chemicals	3,457.94		0.00	3,457.94	\$3,457.94
xxx310440	1/29/19	VALLEY CONCRETE	15-4593	Construction Services	2,200.00		0.00	2,200.00	\$2,200.00
xxx310441	1/29/19	WEST LITE SUPPLY CO INC	73346H	Electrical Parts & Supplies	426.34		0.00	426.34	\$426.34
xxx310442	1/29/19	WINSUPPLY OF SILICON VALLEY	697938 00	Electrical Parts & Supplies	62.06		0.00	62.06	\$62.06
xxx310444	1/29/19	YWCA OF SILICON VALLEY	1819-827550 #2	Outside Group Funding	5,588.92		0.00	5,588.92	\$5,588.92
xxx310445	1/29/19	ALBERT J SCOTT							\$144.56

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			FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	144.56	0.00	144.56	
xxx310446	1/29/19	CHRISTINE MENDOZA	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	649.07	0.00	649.07	\$649.07
xxx310447	1/29/19	CHARLES S EANEFF JR	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	1,385.92	0.00	1,385.92	\$1,385.92
xxx310448	1/29/19	CYNTHIA J HOWELLS	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	564.78	0.00	564.78	\$564.78
xxx310449	1/29/19	DEAN S RUSSELL	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	1,413.19	0.00	1,413.19	\$1,413.19
xxx310450	1/29/19	GLEN FORTIN	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	484.56	0.00	484.56	\$484.56
xxx310451	1/29/19	MIKE ECCLES	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	1,120.01	0.00	1,120.01	\$1,120.01
xxx310452	1/29/19	NANCY BOLGARD STEWARD	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	1,344.82	0.00	1,344.82	\$1,344.82
xxx310453	1/29/19	PACIFIC GAS & ELECTRIC CO	12847684121218	Utilities - Electric	10.26	0.00	10.26	\$81,741.19
			22868920921218	Utilities - Electric	18.20	0.00	18.20	
			24528699501218	Utilities - Electric	10.51	0.00	10.51	
			25900730021218	Utilities - Electric	72.25	0.00	72.25	
			32702441031218	Utilities - Electric	670.70	0.00	670.70	
			32709321911218	Utilities - Electric	86.23	0.00	86.23	
			32725920041218	Utilities - Electric	51.64	0.00	51.64	
			32725920071218	Utilities - Electric	13.19	0.00	13.19	
			32725920141218	Utilities - Electric	26.32	0.00	26.32	
			32725920351218	Utilities - Gas	8.12	0.00	8.12	
			32725921111218	Utilities - Electric	24.61	0.00	24.61	
			32725921171218	Utilities - Electric	106.54	0.00	106.54	
			32725921261218	Utilities - Electric	14.07	0.00	14.07	
			32725921321218	Utilities - Electric	126.89	0.00	126.89	
			32725921431218	Utilities - Electric	4.83	0.00	4.83	
			32725921481218	Utilities - Electric	185.79	0.00	185.79	

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			32725921491218	Utilities - Electric	12.07	0.00	12.07	
			32725921611218	Utilities - Electric	65.15	0.00	65.15	
			32725921711218	Utilities - Electric	194.63	0.00	194.63	
			32725921791218	Utilities - Electric	1.55	0.00	1.55	
			32725921801218	Utilities - Electric	16.42	0.00	16.42	
			32725922051218	Utilities - Electric	53.83	0.00	53.83	
			32725922091218	Utilities - Electric	1,263.22	0.00	1,263.22	
			32725922411218	Utilities - Electric	807.77	0.00	807.77	
			32725922521218	Utilities - Electric	351.86	0.00	351.86	
			32725922581218	Utilities - Electric	25.81	0.00	25.81	
			32725922851218	Utilities - Electric	2.76	0.00	2.76	
			32725923121218	Utilities - Electric	200.43	0.00	200.43	
			32725923351218	Utilities - Electric	142.84	0.00	142.84	
			32725923371218	Utilities - Electric	7.25	0.00	7.25	
			32725923401218	Utilities - Electric	20.94	0.00	20.94	
			32725923711218	Utilities - Electric	12.07	0.00	12.07	
			32725923771218	Utilities - Electric	63.91	0.00	63.91	
			32725923851218	Utilities - Electric	0.95	0.00	0.95	
			32725924031218	Utilities - Electric	432.46	0.00	432.46	
			32725924041218	Utilities - Electric	298.25	0.00	298.25	
			32725924171218	Utilities - Electric	22.67	0.00	22.67	
			32725924961218	Utilities - Electric	717.85	0.00	717.85	
			32725924971218	Utilities - Electric	12.82	0.00	12.82	
			32725925001218	Utilities - Electric	354.96	0.00	354.96	
			32725925011218	Utilities - Electric	73.65	0.00	73.65	
			32725925201218	Utilities - Electric	401.14	0.00	401.14	
			32725925211218	Utilities - Electric	6.67	0.00	6.67	
			32725925231218	Utilities - Electric	32.39	0.00	32.39	
			32725925371218	Utilities - Electric	174.83	0.00	174.83	
			32725925631218	Utilities - Electric	896.09	0.00	896.09	
			32725925691218	Utilities - Electric	30.80	0.00	30.80	

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			32725925891218	Utilities - Electric	61.10	0.00	61.10	
			32725926211218	Utilities - Electric	542.33	0.00	542.33	
			32725926441218	Utilities - Electric	938.21	0.00	938.21	
			32725926471218	Utilities - Electric	936.23	0.00	936.23	
			32725926831218	Utilities - Electric	453.80	0.00	453.80	
			32725926851218	Utilities - Electric	23.01	0.00	23.01	
			32725926871218	Utilities - Electric	0.58	0.00	0.58	
			32725926941218	Utilities - Electric	384.66	0.00	384.66	
			32725926951218	Utilities - Electric	22.97	0.00	22.97	
			32725927041218	Utilities - Electric	11.49	0.00	11.49	
			32725927251218	Utilities - Electric	263.49	0.00	263.49	
			32725927291218	Utilities - Electric	5.81	0.00	5.81	
			32725927341218	Utilities - Electric	459.98	0.00	459.98	
			32725927361218	Utilities - Gas	545.18	0.00	545.18	
			32725927381218	Utilities - Electric	102.89	0.00	102.89	
			32725927401218	Utilities - Electric	59.86	0.00	59.86	
			32725927511218	Utilities - Electric	519.62	0.00	519.62	
			32725927631218	Utilities - Electric	510.11	0.00	510.11	
			32725927681218	Utilities - Electric	0.90	0.00	0.90	
			32725928001218	Utilities - Electric	286.11	0.00	286.11	
			32725928251218	Utilities - Electric	19.20	0.00	19.20	
			32725929101218	Utilities - Electric	1.31	0.00	1.31	
			32725929141218	Utilities - Electric	57.32	0.00	57.32	
			32725929221218	Utilities - Electric	786.24	0.00	786.24	
			32725929251218	Utilities - Electric	0.88	0.00	0.88	
			32725929281218	Utilities - Electric	35.87	0.00	35.87	
			32725929391218	Utilities - Electric	85.93	0.00	85.93	
			32725929441218	Utilities - Electric	532.79	0.00	532.79	
			32725929751218	Utilities - Electric	114.00	0.00	114.00	
			32730750561218	Utilities - Electric	412.40	0.00	412.40	
			32753650071218	Utilities - Electric	161.08	0.00	161.08	

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			32754254881218	Utilities - Electric	226.78	0.00	226.78	
			32784398001218	Utilities - Electric	446.64	0.00	446.64	
			32799419321218	Utilities - Gas	240.48	0.00	240.48	
			35922924581218	Utilities - Electric	20.00	0.00	20.00	
			36207652981218	Utilities - Electric	65.72	0.00	65.72	
			43357992721218	Utilities - Electric	12.06	0.00	12.06	
			45039216731218	Utilities - Electric	12.02	0.00	12.02	
			52896844241218	Utilities - Gas	637.26	0.00	637.26	
			52896847891218	Utilities - Electric	758.82	0.00	758.82	
			56825387841218	Utilities - Electric	0.39	0.00	0.39	
			56891435921218	Utilities - Electric	0.57	0.00	0.57	
			56892570111218	Utilities - Electric	0.91	0.00	0.91	
			56892570121218	Utilities - Electric	13.77	0.00	13.77	
			56892570161218	Utilities - Electric	0.87	0.00	0.87	
			56892570471218	Utilities - Electric	11.94	0.00	11.94	
			56892570611218	Utilities - Electric	13.21	0.00	13.21	
			56892570851218	Utilities - Electric	10.78	0.00	10.78	
			56892571071218	Utilities - Electric	0.82	0.00	0.82	
			56892571111218	Utilities - Electric	35.69	0.00	35.69	
			56892571231218	Utilities - Electric	0.89	0.00	0.89	
			56892571501218	Utilities - Electric	10.35	0.00	10.35	
			56892571931218	Utilities - Electric	1.01	0.00	1.01	
			56892572231218	Utilities - Electric	10.51	0.00	10.51	
			56892572311218	Utilities - Electric	1.06	0.00	1.06	
			56892572411218	Utilities - Electric	0.84	0.00	0.84	
			56892572991218	Utilities - Electric	0.85	0.00	0.85	
			56892573011218	Utilities - Electric	1.57	0.00	1.57	
			56892573211218	Utilities - Electric	12.26	0.00	12.26	
			56892573281218	Utilities - Electric	10.51	0.00	10.51	
			56892573341218	Utilities - Electric	11.74	0.00	11.74	
			56892573451218	Utilities - Electric	10.51	0.00	10.51	

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			56892573611218	Utilities - Electric	1.88	0.00	1.88	
			56892573791218	Utilities - Electric	0.99	0.00	0.99	
			56892573861218	Utilities - Electric	0.83	0.00	0.83	
			56892574541218	Utilities - Electric	12.07	0.00	12.07	
			56892574611218	Utilities - Electric	12.26	0.00	12.26	
			56892574641218	Utilities - Electric	1.18	0.00	1.18	
			56892574691218	Utilities - Electric	12.11	0.00	12.11	
			56892574721218	Utilities - Electric	11.94	0.00	11.94	
			56892574751218	Utilities - Electric	1.02	0.00	1.02	
			56892574931218	Utilities - Electric	11.84	0.00	11.84	
			56892574971218	Utilities - Electric	0.22	0.00	0.22	
			56892574981218	Utilities - Electric	0.78	0.00	0.78	
			56892575011218	Utilities - Electric	18.28	0.00	18.28	
			56892575241218	Utilities - Electric	12.01	0.00	12.01	
			56892575251218	Utilities - Electric	12.23	0.00	12.23	
			56892575561218	Utilities - Electric	12.28	0.00	12.28	
			56892575841218	Utilities - Electric	13.25	0.00	13.25	
			56892576281218	Utilities - Electric	11.91	0.00	11.91	
			56892576481218	Utilities - Electric	12.57	0.00	12.57	
			56892576591218	Utilities - Electric	12.01	0.00	12.01	
			56892576671218	Utilities - Electric	12.15	0.00	12.15	
			56892576691218	Utilities - Electric	12.18	0.00	12.18	
			56892576721218	Utilities - Electric	0.69	0.00	0.69	
			56892577191218	Utilities - Electric	0.86	0.00	0.86	
			56892577221218	Utilities - Electric	11.71	0.00	11.71	
			56892577391218	Utilities - Electric	12.32	0.00	12.32	
			56892577591218	Utilities - Electric	0.78	0.00	0.78	
			56892578071218	Utilities - Electric	1.01	0.00	1.01	
			56892578181218	Utilities - Electric	10.86	0.00	10.86	
			56892578261218	Utilities - Electric	0.83	0.00	0.83	
			56892578541218	Utilities - Electric	2.58	0.00	2.58	

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			56892578611218	Utilities - Electric	0.89	0.00	0.89	
			56892578661218	Utilities - Electric	0.97	0.00	0.97	
			56892578671218	Utilities - Electric	11.86	0.00	11.86	
			56892578891218	Utilities - Electric	11.96	0.00	11.96	
			56892578981218	Utilities - Electric	12.28	0.00	12.28	
			56892579011218	Utilities - Electric	10.51	0.00	10.51	
			56892579191218	Utilities - Electric	0.86	0.00	0.86	
			56892579381218	Utilities - Electric	0.76	0.00	0.76	
			56892579431218	Utilities - Electric	1.59	0.00	1.59	
			56892579641218	Utilities - Electric	12.07	0.00	12.07	
			56892579761218	Utilities - Electric	0.89	0.00	0.89	
			56892579811218	Utilities - Electric	12.05	0.00	12.05	
			56892579831218	Utilities - Electric	0.80	0.00	0.80	
			56892579861218	Utilities - Electric	0.71	0.00	0.71	
			60209026831218	Utilities - Electric	4.78	0.00	4.78	
			60211953741218	Utilities - Electric	2.04	0.00	2.04	
			60225900041218	Utilities - Electric	15,881.71	0.00	15,881.71	
			60225900081218	Utilities - Electric	7,256.52	0.00	7,256.52	
			60225900141218	Utilities - Electric	33.76	0.00	33.76	
			60225900151218	Utilities - Electric	19.87	0.00	19.87	
			60225900161218	Utilities - Electric	11.53	0.00	11.53	
			60225900171218	Utilities - Electric	9.00	0.00	9.00	
			60225900221218	Utilities - Electric	706.29	0.00	706.29	
			60225900261218	Utilities - Electric	22.69	0.00	22.69	
			60225900451218	Utilities - Electric	159.04	0.00	159.04	
			60225901001218	Utilities - Electric	9.86	0.00	9.86	
			60225901011218	Utilities - Electric	361.65	0.00	361.65	
			60225901311218	Utilities - Electric	12.93	0.00	12.93	
			60225901821218	Utilities - Electric	319.35	0.00	319.35	
			60225901981218	Utilities - Electric	12.12	0.00	12.12	
			60225902011218	Utilities - Electric	127.14	0.00	127.14	

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			60225902291218	Utilities - Electric	25.76	0.00	25.76	
			60225902641218	Utilities - Electric	43.99	0.00	43.99	
			60225902661218	Utilities - Electric	523.19	0.00	523.19	
			60225902811218	Utilities - Electric	184.01	0.00	184.01	
			60225902901218	Utilities - Electric	71.10	0.00	71.10	
			60225902951218	Utilities - Electric	24.38	0.00	24.38	
			60225903301218	Utilities - Electric	68.59	0.00	68.59	
			60225903371218	Utilities - Electric	2.46	0.00	2.46	
			60225903551218	Utilities - Electric	105.50	0.00	105.50	
			60225904171218	Utilities - Electric	1.93	0.00	1.93	
			60225904271218	Utilities - Electric	3.48	0.00	3.48	
			60225904461218	Utilities - Electric	1.40	0.00	1.40	
			60225904501218	Utilities - Electric	1.95	0.00	1.95	
			60225904581218	Utilities - Electric	37.08	0.00	37.08	
			60225905101218	Utilities - Electric	2.52	0.00	2.52	
			60225905411218	Utilities - Electric	27.07	0.00	27.07	
			60225905571218	Utilities - Electric	76.31	0.00	76.31	
			60225905581218	Utilities - Electric	11.64	0.00	11.64	
			60225905591218	Utilities - Electric	11.64	0.00	11.64	
			60225905601218	Utilities - Electric	1,817.54	0.00	1,817.54	
			60225906091218	Utilities - Electric	1,402.22	0.00	1,402.22	
			60225906211218	Utilities - Electric	2.52	0.00	2.52	
			60225906401218	Utilities - Electric	4.88	0.00	4.88	
			60225906511218	Utilities - Electric	819.86	0.00	819.86	
			60225906591218	Utilities - Electric	560.77	0.00	560.77	
			60225906601218	Utilities - Electric	32.81	0.00	32.81	
			60225906651218	Utilities - Electric	48.24	0.00	48.24	
			60225906781218	Utilities - Electric	461.80	0.00	461.80	
			60225906941218	Utilities - Electric	729.90	0.00	729.90	
			60225906981218	Utilities - Electric	247.17	0.00	247.17	
			60225907191218	Utilities - Electric	420.35	0.00	420.35	

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			60225907631218	Utilities - Electric	2.72	0.00	2.72	
			60225907691218	Utilities - Electric	137.79	0.00	137.79	
			60225907731218	Utilities - Electric	23.82	0.00	23.82	
			60225907761218	Utilities - Electric	7.61	0.00	7.61	
			60225908161218	Utilities - Electric	229.45	0.00	229.45	
			60225908171218	Utilities - Electric	25.26	0.00	25.26	
			60225908581218	Utilities - Electric	48.75	0.00	48.75	
			60225908611218	Utilities - Electric	29.52	0.00	29.52	
			60225908941218	Utilities - Electric	35.54	0.00	35.54	
			60225909051218	Utilities - Electric	7.66	0.00	7.66	
			60225909411218	Utilities - Electric	67.78	0.00	67.78	
			60225909831218	Utilities - Electric	15.16	0.00	15.16	
			60243005771218	Utilities - Electric	0.85	0.00	0.85	
			60255379991218	Utilities - Electric	2,123.08	0.00	2,123.08	
			60279502631218	Utilities - Electric	519.48	0.00	519.48	
			65170651531218	Utilities - Electric	922.80	0.00	922.80	
			72891152061218	Utilities - Electric	9.72	0.00	9.72	
			81004444431218	Utilities - Electric	7.03	0.00	7.03	
			81008620211218	Utilities - Electric	0.99	0.00	0.99	
			81008621121218	Utilities - Electric	1.96	0.00	1.96	
			81008622291218	Utilities - Electric	4.37	0.00	4.37	
			81008622551218	Utilities - Electric	17.37	0.00	17.37	
			81008623481218	Utilities - Electric	10.72	0.00	10.72	
			81008623721218	Utilities - Electric	0.86	0.00	0.86	
			81008624271218	Utilities - Electric	69.52	0.00	69.52	
			81008624311218	Utilities - Electric	11.51	0.00	11.51	
			81008624651218	Utilities - Electric	10.72	0.00	10.72	
			81008624801218	Utilities - Electric	21.99	0.00	21.99	
			81008625371218	Utilities - Electric	44.87	0.00	44.87	
			81008626651218	Utilities - Electric	7.43	0.00	7.43	
			81008628101218	Utilities - Electric	0.86	0.00	0.86	

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			81008628261218	Utilities - Electric	2.60	0.00	2.60	
			81008628351218	Utilities - Electric	0.86	0.00	0.86	
			81008629371218	Utilities - Electric	2.60	0.00	2.60	
			81008629451218	Utilities - Electric	2.65	0.00	2.65	
			81009280181218	Utilities - Electric	754.49	0.00	754.49	
			81011846091218	Utilities - Electric	14.52	0.00	14.52	
			81015536311218	Utilities - Electric	1,455.13	0.00	1,455.13	
			81020785621218	Utilities - Electric	7.96	0.00	7.96	
			81024370711218	Utilities - Electric	73.38	0.00	73.38	
			81029727041218	Utilities - Electric	7.03	0.00	7.03	
			81033823481218	Utilities - Electric	39.01	0.00	39.01	
			81035854771218	Utilities - Electric	21.63	0.00	21.63	
			81049144671218	Utilities - Electric	11.86	0.00	11.86	
			81052655701218	Utilities - Electric	14.29	0.00	14.29	
			81063868991218	Utilities - Electric	16,230.91	0.00	16,230.91	
			81073831151218	Utilities - Electric	24.38	0.00	24.38	
			81074135341218	Utilities - Electric	85.25	0.00	85.25	
			81080547221218	Utilities - Electric	14.81	0.00	14.81	
			81081601141218	Utilities - Electric	17.78	0.00	17.78	
			81703231611218	Utilities - Electric	15.06	0.00	15.06	
			91475900361218	Utilities - Electric	183.97	0.00	183.97	
			91475900451218	Utilities - Gas	235.46	0.00	235.46	
			91475901221218	Utilities - Electric	32.58	0.00	32.58	
			91475903191218	Utilities - Electric	77.64	0.00	77.64	
			91475903551218	Utilities - Electric	234.58	0.00	234.58	
			91475904101218	Utilities - Electric	624.56	0.00	624.56	
			91475904311218	Utilities - Electric	320.65	0.00	320.65	
			91475904901218	Utilities - Electric	64.54	0.00	64.54	
			91475906251218	Utilities - Electric	156.28	0.00	156.28	
			91475906621218	Utilities - Electric	810.61	0.00	810.61	
			91475907051218	Utilities - Electric	134.59	0.00	134.59	

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			91475907471218	Utilities - Electric	497.72	0.00	497.72	
			91475907601218	Utilities - Electric	301.65	0.00	301.65	
			91475907801218	Utilities - Electric	249.13	0.00	249.13	
			91475908691218	Utilities - Electric	293.15	0.00	293.15	
			91475909641218	Utilities - Electric	1,435.44	0.00	1,435.44	
			91475909791218	Utilities - Electric	520.48	0.00	520.48	
			94639783771218	Utilities - Electric	43.12	0.00	43.12	
			96226800431218	Utilities - Electric	75.41	0.00	75.41	
			96226804091218	Utilities - Electric	142.15	0.00	142.15	
			97331850981218	Utilities - Electric	11.55	0.00	11.55	
xxx310475	1/29/19	ROBERT VAN HEUSEN	FEBRUARY 2019	Insurances - Retiree Medical - Retiree Reimbursement	796.85	0.00	796.85	\$796.85
xxx310476	1/29/19	STATE WATER RESOURCES CONTROL BOARD	ESTRADA G3REEX	Membership Fees	230.00	0.00	230.00	\$340.00
			TAVARES G3REEX	Membership Fees	110.00	0.00	110.00	
xxx310477	1/29/19	STATE WATER RESOURCES CONTROL BOARD	FAIRSATO G2EXM	Membership Fees	155.00	0.00	155.00	\$155.00
xxx310478	1/29/19	APARICIO LOPEZ	414847	Refund Recreation Fees	350.00	0.00	350.00	\$350.00
xxx310479	1/29/19	NOVO CONSTRUCTION	2018-4163	Construction Tax	38,545.55	0.00	38,545.55	\$128,665.80
			2018-4163	Permit - Building	38,056.73	0.00	38,056.73	
			2018-4163	Permit - Electrical	4,905.57	0.00	4,905.57	
			2018-4163	Permit - Fire Prev Construct	26,639.71	0.00	26,639.71	
			2018-4163	Permit - Mechanical	4,905.57	0.00	4,905.57	
			2018-4163	Permit - Plumbing & Gas	4,905.57	0.00	4,905.57	
			2018-4163	Plan Maintenance Fees - General Plan Maintenance	10,707.10	0.00	10,707.10	
xxx310480	1/29/19	PERMIT SERVICES INC	2018-5795	Permit - Building	229.52	0.00	229.52	\$532.02
			2018-5795	Permit - Electrical	94.00	0.00	94.00	
			2018-5795	Permit - Mechanical	94.00	0.00	94.00	
			2018-5795	Permit - Plumbing & Gas	94.00	0.00	94.00	
			2018-5795	Technology Surcharge	20.50	0.00	20.50	

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xxx310481	1/29/19	RAMYA SRIDHARAN	414859	Refund Recreation Fees	350.00	0.00	350.00	\$350.00
xxx310482	1/29/19	RUSS PATEL	415778	Refund Recreation Fees	45.00	0.00	45.00	\$45.00
xxx310483	1/31/19	AAA SPEEDY SMOG TEST ONLY STATION	028384	Automotive Maintenance & Repair Labor	40.00	0.00	40.00	\$280.00
			028386	Automotive Maintenance & Repair Labor	40.00	0.00	40.00	
			028392	Automotive Maintenance & Repair Labor	40.00	0.00	40.00	
			028394	Automotive Maintenance & Repair Labor	40.00	0.00	40.00	
			028397	Automotive Maintenance & Repair Labor	40.00	0.00	40.00	
			028417	Automotive Maintenance & Repair Labor	40.00	0.00	40.00	
			028429	Automotive Maintenance & Repair Labor	40.00	0.00	40.00	
xxx310484	1/31/19	ACADEMY OF TRUCK DRIVING INC	1830	DED Services/Training - Training	4,536.90	0.00	4,536.90	\$4,536.90
xxx310485	1/31/19	ACE FIRE EQUIPMENT & SERVICE CO INC	12322	Inventory Purchase	790.83	0.00	790.83	\$790.83
xxx310486	1/31/19	ADVANCED FUEL SERVICES INC	906630	Automotive Maintenance & Repair Labor	990.00	0.00	990.00	\$1,660.00
			906631	Automotive Maintenance & Repair Labor	670.00	0.00	670.00	
xxx310487	1/31/19	AIRGAS USA LLC	9083732892	General Supplies	635.19	0.00	635.19	\$635.19
xxx310488	1/31/19	AMFASOFT CORP	KETKAM-01	DED Services/Training - Training	3,892.50	0.00	3,892.50	\$4,767.50
			MELSAN-02	DED Services/Training - Training	437.50	0.00	437.50	
			OTTROS-02	DED Services/Training - Training	437.50	0.00	437.50	
xxx310489	1/31/19	APEX LIFE SCIENCES LLC	LAB550496587	Salaries - Contract Personnel	1,320.00	0.00	1,320.00	\$5,676.00
			LAB550498864	Salaries - Contract Personnel	1,287.00	0.00	1,287.00	
			LAB550501162	Salaries - Contract Personnel	1,006.50	0.00	1,006.50	
			LAB550501163	Salaries - Contract Personnel	1,221.00	0.00	1,221.00	
			LAB550503373	Salaries - Contract Personnel	841.50	0.00	841.50	
xxx310490	1/31/19	BSK ASSOCIATES	A836767	Water Lab Services	720.00	0.00	720.00	\$720.00
xxx310491	1/31/19	BAKER & TAYLOR	4012431322	Library Acquisitions, Books	449.37	0.00	449.37	\$457.76
			4012431322	Library Materials Preprocessing	8.39	0.00	8.39	
xxx310492	1/31/19	BARTEL ASSOC LLC	18-1142	Financial Services	3,234.00	0.00	3,234.00	\$3,234.00
xxx310493	1/31/19	BOUND TREE MEDICAL LLC	83085641	Inventory Purchase	2,403.61	0.00	2,403.61	\$3,646.59
			83090669	Inventory Purchase	89.76	0.00	89.76	
			83094465	Inventory Purchase	1,153.22	0.00	1,153.22	
xxx310494	1/31/19	CALTEST ANALYTICAL LABORATORY	593423	Water Lab Services	57.83	0.00	57.83	\$2,720.52
			593625	Water Lab Services	173.49	0.00	173.49	

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			593740	Water Lab Services	1,731.37	0.00	1,731.37	
			593742	Water Lab Services	57.83	0.00	57.83	
			593911	Water Lab Services	700.00	0.00	700.00	
xxx310495	1/31/19	CHERRYROAD TECHNOLOGIES INC	3007324-IN	Professional Services	34,912.50	0.00	34,912.50	\$78,982.05
			3007325-IN	Professional Services	44,069.55	0.00	44,069.55	
xxx310496	1/31/19	CORELOGIC SOLUTIONS LLC	50024581	Software As a Service	10,770.00	0.00	10,770.00	\$10,770.00
xxx310497	1/31/19	COUNTY OF SANTA CLARA PROBATION DEPT	1800066311	Contracts/Service Agreements	27,927.18	0.00	27,927.18	\$27,927.18
xxx310498	1/31/19	D & M TRAFFIC SERVICES INC	62640	Inventory Purchase	797.34	0.00	797.34	\$797.34
xxx310499	1/31/19	DKS ASSOC	0068417	Consultants	5,654.38	0.00	5,654.38	\$5,654.38
xxx310500	1/31/19	DEPARTMENT OF TRANSPORTATION	SL190426	Utilities - Electric	10,614.02	0.00	10,614.02	\$10,614.02
xxx310501	1/31/19	DEVICARE SOLUTIONS	8/16-12/31/18	Professional Services	4,814.00	0.00	4,814.00	\$4,814.00
xxx310503	1/31/19	ENVIRONMENTAL CHEMICAL CORP	83995	Miscellaneous Equipment	916.92	0.00	916.92	\$916.92
xxx310504	1/31/19	FEDEX	6-379-48014	General Supplies	7.09	0.00	7.09	\$7.09
xxx310505	1/31/19	FERGUSON ENTERPRISES INC	1422386	Construction Services	497.04	0.00	497.04	\$480.66
			1432685-1	Inventory Purchase	91.02	0.84	90.18	
			CM121485	Construction Services	-106.56	0.00	-106.56	
xxx310506	1/31/19	FIRST ALARM SECURITY & PATROL INC	578959	Contracts/Service Agreements	4,340.16	0.00	4,340.16	\$4,340.16
xxx310507	1/31/19	FREDERICK CERAUSKIS	86229-9448208	DED Services/Training - Books	59.30	0.00	59.30	\$59.30
xxx310508	1/31/19	FREMONT UNION HIGH SCHOOL DISTRICT	19-300	Real Property Rental/Lease	22,555.54	0.00	22,555.54	\$22,555.54
xxx310509	1/31/19	GALE/CENGAGE LEARNING	65836800	Library Acquisitions, Books	34.00	0.00	34.00	\$34.00
xxx310510	1/31/19	GEOFORENSICS INC	10809	Engineering Services	540.00	0.00	540.00	\$540.00
xxx310511	1/31/19	GRAINGER	9065277270	Inventory Purchase	125.38	0.00	125.38	\$125.38
xxx310512	1/31/19	HAUTE CUISINE INC	125-2019	Excursions	490.50	0.00	490.50	\$490.50
xxx310513	1/31/19	HDL COREN & CONE	0025993-IN	Financial Services	5,154.60	0.00	5,154.60	\$5,154.60
xxx310514	1/31/19	HINDERLITER DE LLAMAS & ASSOC	0030237-IN	Sales And Use Tax	24,908.71	0.00	24,908.71	\$27,558.16
			0030237-IN	Financial Services	2,649.45	0.00	2,649.45	
xxx310515	1/31/19	HUMANE SOCIETY SILICON VALLEY	125430	Contracts/Service Agreements	15,286.23	0.00	15,286.23	\$23,678.67
			125431	Contracts/Service Agreements	8,392.44	0.00	8,392.44	
xxx310517	1/31/19	IMAGEX	217123	Postage	11,897.91	0.00	11,897.91	\$11,897.91
xxx310518	1/31/19	JMB CONSTRUCTION INC						\$176,680.20

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			STRMPMPSTN2 #R	Construction Project Contract Retainage	176,680.20	0.00	176,680.20	
xxx310520	1/31/19	JACQUELINE R ORRELL	MASP004	Professional Services	200.00	0.00	200.00	\$200.00
xxx310521	1/31/19	JAKES OF SUNNYVALE	1120	Food Products	209.99	0.00	209.99	\$209.99
xxx310522	1/31/19	KELLER SUPPLY COMPANY	S012548592.001	Chemicals	160.60	0.00	160.60	\$1,398.31
			S012548714.001	Chemicals	69.39	0.00	69.39	
			S012667641.001	Chemicals	973.69	0.00	973.69	
			S012675649.001	Chemicals	194.63	0.00	194.63	
xxx310523	1/31/19	KELLY MOORE PAINT CO INC	820-373638	Bldg Maint Matls & Supplies	87.18	0.00	87.18	\$87.18
xxx310524	1/31/19	KENWAY TAM	CK REQ 19-121	DED Services/Training - Books	131.81	0.00	131.81	\$131.81
xxx310525	1/31/19	KIDZ LOVE SOCCER	KLS2018ND	Rec Instructors/Officials	4,003.16	0.00	4,003.16	\$4,003.16
xxx310526	1/31/19	KIMLEY HORN & ASSOC INC	12392972	Engineering Services	15,144.36	0.00	15,144.36	\$15,144.36
xxx310527	1/31/19	KOHLWEISS INC	01PV3765	Parts, Vehicles & Motor Equip	104.52	0.00	104.52	\$793.59
			01PV4435	Parts, Vehicles & Motor Equip	11.25	0.00	11.25	
			01PV4513	Parts, Vehicles & Motor Equip	61.96	0.00	61.96	
			01PV4648	Parts, Vehicles & Motor Equip	171.43	0.00	171.43	
			01PV4738	Parts, Vehicles & Motor Equip	35.27	0.00	35.27	
			01PV7091	Inventory Purchase	417.51	8.35	409.16	
xxx310528	1/31/19	LAWSON PRODUCTS INC	9306408433	Miscellaneous Equipment Parts & Supplies	42.64	0.00	42.64	\$204.83
			9306412391	Miscellaneous Equipment Parts & Supplies	162.19	0.00	162.19	
xxx310529	1/31/19	LIEBERT CASSIDY WHITMORE	1472336	Legal Services	68.00	0.00	68.00	\$716.00
			1472337	Legal Services	36.00	0.00	36.00	
			1472338	Legal Services	144.00	0.00	144.00	
			1472339	Legal Services	468.00	0.00	468.00	
xxx310530	1/31/19	LOZANO SUNNYVALE CAR WASH	056	Automotive Maintenance & Repair Labor	1,050.00	0.00	1,050.00	\$1,050.00
xxx310531	1/31/19	M I C INC	3776	Miscellaneous Equipment Parts & Supplies	11,385.57	0.00	11,385.57	\$11,385.57
xxx310532	1/31/19	MALLORY SAFETY & SUPPLY LLC	4585176	Inventory Purchase	328.96	0.00	328.96	\$328.96
xxx310533	1/31/19	MCMASTER CARR SUPPLY CO	82917153	Hand Tools	194.11	0.00	194.11	\$982.76
			83957583	Electrical Parts & Supplies	55.83	0.00	55.83	
			84437621	Electrical Parts & Supplies	16.57	0.00	16.57	
			84466173	Miscellaneous Equipment Parts & Supplies	716.25	0.00	716.25	

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xxx310534	1/31/19	MCNABB CONSTRUCTION INC	WPCP-07	Services Maintain Land Improv	3,521.00		0.00	3,521.00	\$3,521.00
xxx310535	1/31/19	MELROSE METAL PRODUCTS INC	15713	Miscellaneous Equipment Parts & Supplies	3,564.31		0.00	3,564.31	\$3,564.31
xxx310536	1/31/19	MIDWEST TAPE	96778182	Library Acquis, Audio/Visual	443.29		0.00	443.29	\$3,330.67
			96778184	Library Acquis, Audio/Visual	400.72		0.00	400.72	
			96778341	Library Acquis, Audio/Visual	194.42		0.00	194.42	
			96808016	Library Acquis, Audio/Visual	395.99		0.00	395.99	
			96808017	Library Acquis, Audio/Visual	495.46		0.00	495.46	
			96809407	Library Acquis, Audio/Visual	178.09		0.00	178.09	
			96834886	Library Acquis, Audio/Visual	158.50		0.00	158.50	
			96834887	Library Acquis, Audio/Visual	484.10		0.00	484.10	
			96835975	Library Acquis, Audio/Visual	93.12		0.00	93.12	
			96863464	Library Acquis, Audio/Visual	20.43		0.00	20.43	
			96864268	Library Acquis, Audio/Visual	100.25		0.00	100.25	
			96864269	Library Acquis, Audio/Visual	92.63		0.00	92.63	
			96865070	Library Acquis, Audio/Visual	224.63		0.00	224.63	
			96865071	Library Acquis, Audio/Visual	49.04		0.00	49.04	
xxx310538	1/31/19	NAPA AUTO PARTS	5983-438025	Parts, Vehicles & Motor Equip	32.72		0.00	32.72	\$2,278.18
			5983-440058	Parts, Vehicles & Motor Equip	2.21		0.00	2.21	
			5983-443881	Parts, Vehicles & Motor Equip	3.74		0.00	3.74	
			5983-443899	Parts, Vehicles & Motor Equip	27.17		0.00	27.17	
			5983-443903	Parts, Vehicles & Motor Equip	113.61		0.00	113.61	
			5983-443940	Parts, Vehicles & Motor Equip	28.84		0.00	28.84	
			5983-443941	Parts, Vehicles & Motor Equip	15.90		0.00	15.90	
			5983-444110	Parts, Vehicles & Motor Equip	199.77		0.00	199.77	
			5983-444347	Parts, Vehicles & Motor Equip	113.61		0.00	113.61	
			5983-444356	Parts, Vehicles & Motor Equip	103.09		0.00	103.09	
			5983-444380	Parts, Vehicles & Motor Equip	60.72		0.00	60.72	
			5983-444381	Parts, Vehicles & Motor Equip	60.72		0.00	60.72	
			5983-444382	Parts, Vehicles & Motor Equip	11.97		0.00	11.97	
			5983-444449	Parts, Vehicles & Motor Equip	60.36		0.00	60.36	
			5983-444475	Parts, Vehicles & Motor Equip	53.39		0.00	53.39	

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			5983-444494	Parts, Vehicles & Motor Equip	54.58	0.00	54.58	
			5983-444508	Parts, Vehicles & Motor Equip	40.19	0.00	40.19	
			5983-444521	Parts, Vehicles & Motor Equip	112.93	0.00	112.93	
			5983-444664	Parts, Vehicles & Motor Equip	6.19	0.00	6.19	
			5983-444742	Parts, Vehicles & Motor Equip	113.61	0.00	113.61	
			5983-444832	Parts, Vehicles & Motor Equip	43.04	0.00	43.04	
			5983-444878	Parts, Vehicles & Motor Equip	68.33	0.00	68.33	
			5983-444916	Parts, Vehicles & Motor Equip	16.88	0.00	16.88	
			5983-444917	Parts, Vehicles & Motor Equip	62.92	0.00	62.92	
			5983-444938	Parts, Vehicles & Motor Equip	12.81	0.00	12.81	
			5983-444981	Parts, Vehicles & Motor Equip	23.37	0.00	23.37	
			5983-445038	Parts, Vehicles & Motor Equip	129.34	0.00	129.34	
			5983-445060	Parts, Vehicles & Motor Equip	40.19	0.00	40.19	
			5983-445067	Parts, Vehicles & Motor Equip	15.15	0.00	15.15	
			5983-445119	Parts, Vehicles & Motor Equip	18.60	0.00	18.60	
			5983-445227	Parts, Vehicles & Motor Equip	31.62	0.00	31.62	
			5983-445236	Parts, Vehicles & Motor Equip	23.46	0.00	23.46	
			5983-445248	Parts, Vehicles & Motor Equip	232.14	0.00	232.14	
			5983-445280	Parts, Vehicles & Motor Equip	77.85	0.00	77.85	
			5983-445350	Parts, Vehicles & Motor Equip	62.92	0.00	62.92	
			5983-445640	Parts, Vehicles & Motor Equip	13.87	0.00	13.87	
			5983-445662	Parts, Vehicles & Motor Equip	17.63	0.00	17.63	
			5983-445693	Parts, Vehicles & Motor Equip	45.08	0.00	45.08	
			5983-445864	Parts, Vehicles & Motor Equip	97.42	0.00	97.42	
			5983-445901	Parts, Vehicles & Motor Equip	30.24	0.00	30.24	
xxx310542	1/31/19	NI GOVERNMENT SERVICES INC	8121268728	Miscellaneous Services	78.77	0.00	78.77	\$78.77
xxx310543	1/31/19	NATIONAL ASSN OF CLEAN WATER AGENCIES	55572	Membership Fees	10,815.00	0.00	10,815.00	\$10,815.00
xxx310544	1/31/19	NORTHERN UNDERGROUND CONSTRUCTION INC.	CWH2OLINE17#05	Construction Services	299,691.37	0.00	299,691.37	\$299,691.37
xxx310545	1/31/19	O'DELL ENGINEERING	3524004	Engineering Services	470.00	0.00	470.00	\$470.00
xxx310546	1/31/19	P&A ADMINISTRATIVE SERVICES INC	453425	Miscellaneous Payment	100.00	0.00	100.00	\$100.00

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xxx310547	1/31/19	PACIFIC ECO-RISK	15080	Water Lab Services	2,985.00	0.00	2,985.00	\$2,985.00
xxx310548	1/31/19	PEI YANG	CK REQ 19-117	DED Services/Training - Books	22.65	0.00	22.65	\$22.65
xxx310549	1/31/19	PETERSON POWER SYSTEMS INC	PC240033395	Fuel, Oil & Lubricants	12,894.70	0.00	12,894.70	\$117,230.82
			PC240033410	Fuel, Oil & Lubricants	7,736.82	0.00	7,736.82	
			PC240033411	Fuel, Oil & Lubricants	5,157.88	0.00	5,157.88	
			PR240005423	Fuel, Oil & Lubricants	12,894.70	0.00	12,894.70	
			SW240153613	Misc Equip Maint & Repair - Labor	40,444.00	0.00	40,444.00	
			SW240153613	Misc Equip Maint & Repair - Materials	38,102.72	0.00	38,102.72	
xxx310550	1/31/19	PORTNOV COMPUTER SCHOOL	01-01-19	DED Services/Training - Training	595.00	0.00	595.00	\$595.00
xxx310551	1/31/19	PSOMAS	147043	Engineering Services	165,559.80	0.00	165,559.80	\$165,559.80
xxx310552	1/31/19	R J GORDON CONSTRUCTION INC	LNCFLLEROSN #R	Construction Project Contract Retainage	25,086.86	0.00	25,086.86	\$25,086.86
xxx310553	1/31/19	READYREFRESH BY NESTLE	18L0028805083	General Supplies	36.17	0.00	36.17	\$134.94
			19A0023249071	General Supplies	3.26	0.00	3.26	
			19A0023360647	General Supplies	1.08	0.00	1.08	
			19A5727863002	General Supplies	49.15	0.00	49.15	
			19A5740153001	General Supplies	1.08	0.00	1.08	
			19A5740154009	General Supplies	27.50	0.00	27.50	
			19A5740156004	General Supplies	16.70	0.00	16.70	
xxx310554	1/31/19	REED & GRAHAM INC	938026	Materials - Land Improve	2,641.79	0.00	2,641.79	\$9,803.31
			938050	Materials - Land Improve	1,215.14	0.00	1,215.14	
			938180	Materials - Land Improve	2,313.48	0.00	2,313.48	
			938263	Materials - Land Improve	2,696.39	0.00	2,696.39	
			938377	Materials - Land Improve	936.51	0.00	936.51	
xxx310555	1/31/19	REFRIGERATION SUPPLIES DISTRIBUTOR	38409035-00	Bldg Maint Matls & Supplies	494.54	0.00	494.54	\$494.54
xxx310556	1/31/19	ROSS TRUCK AND EQUIPMENT REPAIR	61324	Auto Maint & Repair - Labor	140.00	0.00	140.00	\$142.40
			61324	Auto Maint & Repair - Materials	2.40	0.00	2.40	
xxx310557	1/31/19	ROYAL BRASS INC	885759-001	Parts, Vehicles & Motor Equip	872.66	0.00	872.66	\$894.70
			886108-001	Parts, Vehicles & Motor Equip	22.04	0.00	22.04	
xxx310558	1/31/19	RUSSELL GIBBONS	122786336	DED Services/Training - Books	139.00	0.00	139.00	\$139.00
xxx310559	1/31/19	S & L FENCE CO	03807	Materials - Land Improve	2,965.45	0.00	2,965.45	\$2,965.45

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xxx310560	1/31/19	SCS ENGINEERS	0340921	General Supplies	257.50	0.00	257.50	\$257.50
xxx310561	1/31/19	SCS FIELD SERVICES INC	0341236	Engineering Services	1,595.00	0.00	1,595.00	\$1,595.00
xxx310562	1/31/19	SAFETY KLEEN SYSTEMS INC	78766115	Chemicals	293.40	0.00	293.40	\$338.40
			78895570	Chemicals	45.00	0.00	45.00	
xxx310563	1/31/19	SAFEWAY INC	725151-011619	Food Products	43.89	0.00	43.89	\$447.43
			802143-012419	Food Products	399.56	0.00	399.56	
			802456-012419	Food Products	3.98	0.00	3.98	
xxx310564	1/31/19	SAN FRANCISCO BAY BIRD OBSERVATORY	1284	Water Lab Services	1,687.61	0.00	1,687.61	\$1,687.61
xxx310565	1/31/19	SAN JOSE BMW	4303502	Auto Maint & Repair - Labor	547.50	0.00	547.50	\$9,985.72
			4303502	Auto Maint & Repair - Materials	2,669.97	0.00	2,669.97	
			4303848	Auto Maint & Repair - Labor	1,350.00	0.00	1,350.00	
			4303848	Auto Maint & Repair - Materials	1,337.98	0.00	1,337.98	
			4304471	Auto Maint & Repair - Labor	1,050.00	0.00	1,050.00	
			4304471	Auto Maint & Repair - Materials	1,009.41	0.00	1,009.41	
			4304475	Auto Maint & Repair - Labor	75.00	0.00	75.00	
			4304475	Auto Maint & Repair - Materials	30.57	0.00	30.57	
			4304557	Auto Maint & Repair - Labor	1,042.50	0.00	1,042.50	
			4304557	Auto Maint & Repair - Materials	872.79	0.00	872.79	
xxx310566	1/31/19	SAN JOSE CONSERVATION CORPS	7150	Recycling Services	5,416.66	0.00	5,416.66	\$5,416.66
xxx310567	1/31/19	SECURITY ALERT SYSTEMS OF CALIFORNIA INC	071338	Facilities Maintenance & Repair Labor	84.00	0.00	84.00	\$84.00
xxx310568	1/31/19	SHIGERU MURAKI	CK REQ 19-120	DED Services/Training - Books	51.05	0.00	51.05	\$51.05
xxx310569	1/31/19	SHRED-IT USA	8126425055	General Supplies	58.26	0.00	58.26	\$58.26
xxx310570	1/31/19	SIERRA PACIFIC TURF SUPPLY INC	0542130-IN	Materials - Land Improve	243.25	0.00	243.25	\$243.25
xxx310571	1/31/19	SLAKEY BROTHERS INC	21508349-00	Bldg Maint Matls & Supplies	527.36	0.00	527.36	\$527.36
xxx310572	1/31/19	SMART & FINAL INC	040015-011619	Food Products	131.30	0.00	131.30	\$197.96
			040015-011619	General Supplies	26.77	0.00	26.77	
			047101-102418	Food Products	39.89	0.00	39.89	
xxx310573	1/31/19	SONSRAY MACHINERY LLC	P10257-12	Parts, Vehicles & Motor Equip	240.22	0.00	240.22	\$240.22
xxx310574	1/31/19	ST FRANCIS ELECTRIC INC	1773305	Construction Services	3,608.93	0.00	3,608.93	\$3,608.93
xxx310575	1/31/19	SUBURBAN PROPANE	2424616	Fuel, Oil & Lubricants	26.30	0.00	26.30	\$26.30

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xxx310576	1/31/19	SUNNYVALE COMMUNITY SERVICES	CBDO 2018/19-2	Outside Group Funding	94,583.13	0.00	94,583.13	\$94,583.13
xxx310577	1/31/19	SUNNYVALE DOWNTOWN ASSN	012519 CK REQ	Miscellaneous Reimbursement	-424.57	0.00	-424.57	-\$424.57
xxx310579	1/31/19	SUNNYVALE TOWING INC	302659	Vehicle Towing Services	100.00	0.00	100.00	\$655.00
			304617	Vehicle Towing Services	90.00	0.00	90.00	
			304747	Vehicle Towing Services	45.00	0.00	45.00	
			304748	Vehicle Towing Services	45.00	0.00	45.00	
			304957	Vehicle Towing Services	125.00	0.00	125.00	
			304971	Vehicle Towing Services	125.00	0.00	125.00	
			304976	Vehicle Towing Services	40.00	0.00	40.00	
			305375	Vehicle Towing Services	45.00	0.00	45.00	
			305385	Vehicle Towing Services	40.00	0.00	40.00	
xxx310581	1/31/19	SUPPLYWORKS	466267044	Inventory Purchase	351.59	0.00	351.59	\$1,180.91
			466723988	Inventory Purchase	818.37	0.00	818.37	
			468496963	Inventory Purchase	-818.37	0.00	-818.37	
			472686161	Inventory Purchase	169.39	1.55	167.84	
			475325395	Inventory Purchase	667.60	6.12	661.48	
xxx310582	1/31/19	SWIMS	28446	Miscellaneous Equipment	8,934.00	0.00	8,934.00	\$8,934.00
xxx310583	1/31/19	USA BLUEBOOK	663215	Miscellaneous Equipment Parts & Supplies	-1,226.58	0.00	-1,226.58	\$1,089.65
			671183	Miscellaneous Equipment Parts & Supplies	-991.81	0.00	-991.81	
			688257	General Supplies	132.02	0.00	132.02	
			707386	General Supplies	208.11	0.00	208.11	
			746100	General Supplies	276.85	0.00	276.85	
			748797	General Supplies	242.00	0.00	242.00	
			760071	General Supplies	259.75	0.00	259.75	
			790544	General Supplies	592.31	0.00	592.31	
			791455	General Supplies	1,597.00	0.00	1,597.00	
xxx310585	1/31/19	WATER ONE INDUSTRIES INC	114575	Facilities Maintenance & Repair Labor	1,300.00	0.00	1,300.00	\$1,300.00
xxx310586	1/31/19	WAYPOINT ANALYTICAL CALIFORNIA INC	075110	Water Lab Services	252.00	0.00	252.00	\$252.00
xxx310587	1/31/19	WEST COAST INDUSTRIAL COATINGS INC	MRYCRSTANK 2#04	Construction Services	234,412.50	0.00	234,412.50	\$234,412.50
xxx310588	1/31/19	WINSUPPLY OF SILICON VALLEY	695065 00	Bldg Maint Matls & Supplies	225.96	0.00	225.96	\$1,403.83

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			695580 00	Materials - Land Improve	17.72	0.00	17.72	
			697229 01	Miscellaneous Equipment Parts & Supplies	885.25	16.24	869.01	
			697699 02	Miscellaneous Equipment Parts & Supplies	14.72	0.27	14.45	
			697760 00	Miscellaneous Equipment Parts & Supplies	219.61	4.03	215.58	
			698020 00	Bldg Maint Matls & Supplies	61.11	0.00	61.11	
xxx310589	1/31/19	CSULB FOUNDATION	1870	Training and Conferences	2,896.00	0.00	2,896.00	\$2,896.00
xxx310590	1/31/19	CONTRA COSTA CTY OFC OF THE SHERIFF	19-22627	Training and Conferences	748.00	0.00	748.00	\$798.00
			19-22636	Training and Conferences	50.00	0.00	50.00	
xxx310591	1/31/19	NADENE RUSSELL	020619-021219	Excursions	910.00	0.00	910.00	\$910.00
xxx310592	1/31/19	NORTHERN CALIFORNIA RECYCLING ASSN INC	SUNNYVALE2019A	Membership Fees	525.00	0.00	525.00	\$705.00
			SUNNYVALE2019B	Membership Fees	180.00	0.00	180.00	
xxx310593	1/31/19	PACIFIC GAS & ELECTRIC CO	11008300871218	Utilities - Electric	262.38	0.00	262.38	\$116,129.69
			11023476281218	Utilities - Electric	377.80	0.00	377.80	
			11023824481218	Utilities - Electric	689.44	0.00	689.44	
			11054204051218	Utilities - Electric	4,339.14	0.00	4,339.14	
			11059220091218	Utilities - Electric	2,128.06	0.00	2,128.06	
			11059220251218	Utilities - Gas	2,196.28	0.00	2,196.28	
			11059220401218	Utilities - Gas	796.15	0.00	796.15	
			11059220451218	Utilities - Gas	2,615.42	0.00	2,615.42	
			11059220501218	Utilities - Gas	233.44	0.00	233.44	
			11059220551218	Utilities - Electric	573.47	0.00	573.47	
			11059220601218	Utilities - Gas	4,906.69	0.00	4,906.69	
			11059220641218	Utilities - Electric	1,149.65	0.00	1,149.65	
			11059220751218	Utilities - Gas	3,748.40	0.00	3,748.40	
			11059220901218	Utilities - Gas	410.60	0.00	410.60	
			11059220931218	Utilities - Electric	296.90	0.00	296.90	
			11059221021218	Utilities - Electric	448.22	0.00	448.22	
			11059221051218	Utilities - Gas	370.44	0.00	370.44	
			11059221061218	Utilities - Electric	728.28	0.00	728.28	

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			11059221081218	Utilities - Electric	478.49	0.00	478.49	
			11059221151218	Utilities - Gas	395.00	0.00	395.00	
			11059221181218	Utilities - Electric	3,917.42	0.00	3,917.42	
			11059221281218	Utilities - Electric	622.41	0.00	622.41	
			11059221351218	Utilities - Gas	559.80	0.00	559.80	
			11059221401218	Utilities - Gas	3,387.95	0.00	3,387.95	
			11059221601218	Utilities - Gas	320.44	0.00	320.44	
			11059221681218	Utilities - Electric	253.88	0.00	253.88	
			11059221701218	Utilities - Gas	423.59	0.00	423.59	
			11059221731218	Utilities - Electric	1,141.76	0.00	1,141.76	
			11059221931218	Utilities - Electric	6,481.22	0.00	6,481.22	
			11059222191218	Utilities - Electric	0.37	0.00	0.37	
			11059222631218	Utilities - Electric	1,404.38	0.00	1,404.38	
			11059222721218	Utilities - Electric	522.71	0.00	522.71	
			11059224061218	Utilities - Electric	6,689.40	0.00	6,689.40	
			11059224271218	Utilities - Electric	10.47	0.00	10.47	
			11059224731218	Utilities - Electric	251.11	0.00	251.11	
			11059225101218	Utilities - Gas	864.69	0.00	864.69	
			11059225291218	Utilities - Electric	503.67	0.00	503.67	
			11059225551218	Utilities - Electric	1,304.42	0.00	1,304.42	
			11059225651218	Utilities - Gas	5,208.76	0.00	5,208.76	
			11059226381218	Utilities - Electric	4,624.23	0.00	4,624.23	
			11059226471218	Utilities - Electric	415.51	0.00	415.51	
			11059226811218	Utilities - Electric	4,683.92	0.00	4,683.92	
			11059227031218	Utilities - Electric	442.51	0.00	442.51	
			11059227061218	Utilities - Electric	2,078.88	0.00	2,078.88	
			11059227231218	Utilities - Electric	3,282.73	0.00	3,282.73	
			11059227651218	Utilities - Electric	285.97	0.00	285.97	
			11059227851218	Utilities - Electric	2,387.91	0.00	2,387.91	
			11059228051218	Utilities - Electric	3,817.52	0.00	3,817.52	
			11059228291218	Utilities - Electric	61.54	0.00	61.54	

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			11059228581218	Utilities - Electric	6,387.62	0.00	6,387.62	
			11059228671218	Utilities - Electric	271.48	0.00	271.48	
			11059229251218	Utilities - Electric	3,159.99	0.00	3,159.99	
			11059229471218	Utilities - Electric	2,440.83	0.00	2,440.83	
			11059229911218	Utilities - Electric	4,973.86	0.00	4,973.86	
			11059229931218	Utilities - Electric	74.38	0.00	74.38	
			11059229991218	Utilities - Electric	2,041.72	0.00	2,041.72	
			35600081571218	Utilities - Electric	31.40	0.00	31.40	
			35602171201218	Utilities - Electric	29.66	0.00	29.66	
			35604437161218	Utilities - Electric	25.84	0.00	25.84	
			35606224451218	Utilities - Electric	14.76	0.00	14.76	
			35607191901218	Utilities - Electric	40.74	0.00	40.74	
			35608567661218	Utilities - Electric	35.03	0.00	35.03	
			35611839591218	Utilities - Electric	0.65	0.00	0.65	
			35612262511218	Utilities - Electric	36.11	0.00	36.11	
			35613458021218	Utilities - Electric	17.58	0.00	17.58	
			35615386141218	Utilities - Electric	12.01	0.00	12.01	
			35615568541218	Utilities - Electric	46.66	0.00	46.66	
			35616646261218	Utilities - Electric	30.90	0.00	30.90	
			35617117851218	Utilities - Electric	17.80	0.00	17.80	
			35619832011218	Utilities - Electric	11.37	0.00	11.37	
			35620251621218	Utilities - Electric	13.32	0.00	13.32	
			35621388651218	Utilities - Electric	19.97	0.00	19.97	
			35622378291218	Utilities - Electric	28.30	0.00	28.30	
			35622803791218	Utilities - Electric	37.56	0.00	37.56	
			35623203291218	Utilities - Electric	33.29	0.00	33.29	
			35623495081218	Utilities - Electric	26.49	0.00	26.49	
			35624668431218	Utilities - Electric	30.54	0.00	30.54	
			35625361151218	Utilities - Electric	16.07	0.00	16.07	
			35629588411218	Utilities - Electric	35.31	0.00	35.31	
			35630250571218	Utilities - Electric	22.95	0.00	22.95	

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			35630370111218	Utilities - Electric	33.44	0.00	33.44	
			35630869421218	Utilities - Electric	20.04	0.00	20.04	
			35631755361218	Utilities - Electric	26.41	0.00	26.41	
			35632810381218	Utilities - Electric	18.89	0.00	18.89	
			35634101591218	Utilities - Electric	45.66	0.00	45.66	
			35635840131218	Utilities - Electric	27.57	0.00	27.57	
			35635878161218	Utilities - Electric	21.78	0.00	21.78	
			35638635001218	Utilities - Electric	34.80	0.00	34.80	
			35639668521218	Utilities - Electric	16.07	0.00	16.07	
			35641783141218	Utilities - Electric	30.18	0.00	30.18	
			35642309021218	Utilities - Electric	25.33	0.00	25.33	
			35642590021218	Utilities - Electric	24.24	0.00	24.24	
			35642590101218	Utilities - Electric	51.56	0.00	51.56	
			35642590151218	Utilities - Electric	44.56	0.00	44.56	
			35642590201218	Utilities - Electric	43.33	0.00	43.33	
			35642590251218	Utilities - Electric	71.32	0.00	71.32	
			35642590301218	Utilities - Electric	79.52	0.00	79.52	
			35642590351218	Utilities - Electric	54.60	0.00	54.60	
			35642590401218	Utilities - Electric	87.89	0.00	87.89	
			35642590451218	Utilities - Electric	49.93	0.00	49.93	
			35642590461218	Utilities - Electric	12.37	0.00	12.37	
			35642590501218	Utilities - Electric	41.81	0.00	41.81	
			35642590651218	Utilities - Electric	44.03	0.00	44.03	
			35642590701218	Utilities - Electric	75.33	0.00	75.33	
			35642590751218	Utilities - Electric	78.90	0.00	78.90	
			35642590801218	Utilities - Electric	62.00	0.00	62.00	
			35642590851218	Utilities - Electric	48.57	0.00	48.57	
			35642590951218	Utilities - Electric	22.58	0.00	22.58	
			35642591001218	Utilities - Electric	45.00	0.00	45.00	
			35642591051218	Utilities - Electric	52.96	0.00	52.96	
			35642591101218	Utilities - Electric	43.54	0.00	43.54	

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			35642591151218	Utilities - Electric	54.47	0.00	54.47	
			35642591211218	Utilities - Electric	32.64	0.00	32.64	
			35642591251218	Utilities - Electric	67.09	0.00	67.09	
			35642591301218	Utilities - Electric	29.97	0.00	29.97	
			35642591311218	Utilities - Electric	12.09	0.00	12.09	
			35642591351218	Utilities - Electric	69.15	0.00	69.15	
			35642591401218	Utilities - Electric	54.60	0.00	54.60	
			35642591431218	Utilities - Electric	26.49	0.00	26.49	
			35642591451218	Utilities - Electric	39.72	0.00	39.72	
			35642591501218	Utilities - Electric	32.20	0.00	32.20	
			35642591551218	Utilities - Electric	34.65	0.00	34.65	
			35642591601218	Utilities - Electric	46.41	0.00	46.41	
			35642591651218	Utilities - Electric	62.87	0.00	62.87	
			35642591701218	Utilities - Electric	51.30	0.00	51.30	
			35642591751218	Utilities - Electric	54.15	0.00	54.15	
			35642591801218	Utilities - Electric	42.34	0.00	42.34	
			35642591851218	Utilities - Electric	49.58	0.00	49.58	
			35642591901218	Utilities - Electric	39.25	0.00	39.25	
			35642591931218	Utilities - Electric	34.16	0.00	34.16	
			35642591941218	Utilities - Electric	26.62	0.00	26.62	
			35642591951218	Utilities - Electric	56.30	0.00	56.30	
			35642592001218	Utilities - Electric	64.09	0.00	64.09	
			35642592051218	Utilities - Electric	69.42	0.00	69.42	
			35642592071218	Utilities - Electric	25.54	0.00	25.54	
			35642592101218	Utilities - Electric	57.69	0.00	57.69	
			35642592131218	Utilities - Electric	16.57	0.00	16.57	
			35642592151218	Utilities - Electric	51.57	0.00	51.57	
			35642592191218	Utilities - Electric	43.63	0.00	43.63	
			35642592201218	Utilities - Electric	59.57	0.00	59.57	
			35642592251218	Utilities - Electric	29.50	0.00	29.50	
			35642592301218	Utilities - Electric	39.82	0.00	39.82	

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			35642592351218	Utilities - Electric	10.64	0.00	10.64	
			35642592401218	Utilities - Electric	71.48	0.00	71.48	
			35642592451218	Utilities - Electric	39.10	0.00	39.10	
			35642592501218	Utilities - Electric	45.45	0.00	45.45	
			35642592551218	Utilities - Electric	63.92	0.00	63.92	
			35642592601218	Utilities - Electric	56.66	0.00	56.66	
			35642592651218	Utilities - Electric	70.81	0.00	70.81	
			35642592701218	Utilities - Electric	63.05	0.00	63.05	
			35642592751218	Utilities - Electric	49.16	0.00	49.16	
			35642592801218	Utilities - Electric	89.13	0.00	89.13	
			35642592851218	Utilities - Electric	50.98	0.00	50.98	
			35642592901218	Utilities - Electric	60.95	0.00	60.95	
			35642592951218	Utilities - Electric	54.60	0.00	54.60	
			35642593001218	Utilities - Electric	67.11	0.00	67.11	
			35642593101218	Utilities - Electric	62.42	0.00	62.42	
			35642593201218	Utilities - Electric	57.39	0.00	57.39	
			35642593211218	Utilities - Electric	33.08	0.00	33.08	
			35642593251218	Utilities - Electric	11.75	0.00	11.75	
			35642593261218	Utilities - Electric	24.53	0.00	24.53	
			35642593301218	Utilities - Electric	54.37	0.00	54.37	
			35642593351218	Utilities - Electric	70.54	0.00	70.54	
			35642593401218	Utilities - Electric	64.66	0.00	64.66	
			35642593411218	Utilities - Electric	15.92	0.00	15.92	
			35642593481218	Utilities - Electric	20.55	0.00	20.55	
			35642593501218	Utilities - Electric	60.22	0.00	60.22	
			35642593551218	Utilities - Electric	45.71	0.00	45.71	
			35642593601218	Utilities - Electric	74.73	0.00	74.73	
			35642593651218	Utilities - Electric	62.19	0.00	62.19	
			35642593701218	Utilities - Electric	60.47	0.00	60.47	
			35642593751218	Utilities - Electric	38.36	0.00	38.36	
			35642593831218	Utilities - Electric	21.50	0.00	21.50	

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Payment No.	Payment Date	Vendor Name	Invoice No.	Description	Invoice Amount	Discount Taken	Amount Paid	Payment Total
			35642593851218	Utilities - Electric	10.19	0.00	10.19	
			35642593901218	Utilities - Electric	46.34	0.00	46.34	
			35642593951218	Utilities - Electric	39.80	0.00	39.80	
			35642593961218	Utilities - Electric	22.79	0.00	22.79	
			35642594001218	Utilities - Electric	51.35	0.00	51.35	
			35642594031218	Utilities - Electric	20.18	0.00	20.18	
			35642594051218	Utilities - Electric	31.24	0.00	31.24	
			35642594101218	Utilities - Electric	30.72	0.00	30.72	
			35642594151218	Utilities - Electric	44.00	0.00	44.00	
			35642594251218	Utilities - Electric	84.31	0.00	84.31	
			35642594261218	Utilities - Electric	20.18	0.00	20.18	
			35642594301218	Utilities - Electric	48.31	0.00	48.31	
			35642594311218	Utilities - Electric	22.58	0.00	22.58	
			35642594351218	Utilities - Electric	46.09	0.00	46.09	
			35642594401218	Utilities - Electric	48.94	0.00	48.94	
			35642594451218	Utilities - Electric	53.55	0.00	53.55	
			35642594501218	Utilities - Electric	37.24	0.00	37.24	
			35642594551218	Utilities - Electric	67.74	0.00	67.74	
			35642594601218	Utilities - Electric	66.36	0.00	66.36	
			35642594651218	Utilities - Electric	70.18	0.00	70.18	
			35642594701218	Utilities - Electric	65.63	0.00	65.63	
			35642594751218	Utilities - Electric	55.92	0.00	55.92	
			35642594801218	Utilities - Electric	54.29	0.00	54.29	
			35642594851218	Utilities - Electric	38.55	0.00	38.55	
			35642594901218	Utilities - Electric	48.65	0.00	48.65	
			35642594951218	Utilities - Electric	68.17	0.00	68.17	
			35642595001218	Utilities - Electric	55.38	0.00	55.38	
			35642595051218	Utilities - Electric	57.61	0.00	57.61	
			35642595101218	Utilities - Electric	67.17	0.00	67.17	
			35642595151218	Utilities - Electric	46.66	0.00	46.66	
			35642595181218	Utilities - Electric	16.72	0.00	16.72	

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Payment No.	Payment Date	Vendor Name	Invoice No.	Description	Invoice Amount	Discount Taken	Amount Paid	Payment Total
			35642595201218	Utilities - Electric	58.21	0.00	58.21	
			35642595251218	Utilities - Electric	47.23	0.00	47.23	
			35642595261218	Utilities - Electric	38.79	0.00	38.79	
			35642595271218	Utilities - Electric	27.94	0.00	27.94	
			35642595301218	Utilities - Electric	48.11	0.00	48.11	
			35642595351218	Utilities - Electric	46.16	0.00	46.16	
			35642595401218	Utilities - Electric	46.28	0.00	46.28	
			35642595451218	Utilities - Electric	86.16	0.00	86.16	
			35642595501218	Utilities - Electric	39.69	0.00	39.69	
			35642595551218	Utilities - Electric	39.47	0.00	39.47	
			35642595601218	Utilities - Electric	41.63	0.00	41.63	
			35642595651218	Utilities - Electric	42.46	0.00	42.46	
			35642595701218	Utilities - Electric	53.43	0.00	53.43	
			35642595751218	Utilities - Electric	53.29	0.00	53.29	
			35642595801218	Utilities - Electric	46.54	0.00	46.54	
			35642595841218	Utilities - Electric	26.92	0.00	26.92	
			35642595851218	Utilities - Electric	76.22	0.00	76.22	
			35642595901218	Utilities - Electric	44.11	0.00	44.11	
			35642595951218	Utilities - Electric	73.19	0.00	73.19	
			35642596001218	Utilities - Electric	80.61	0.00	80.61	
			35642596051218	Utilities - Electric	51.39	0.00	51.39	
			35642596101218	Utilities - Electric	55.36	0.00	55.36	
			35642596151218	Utilities - Electric	44.70	0.00	44.70	
			35642596181218	Utilities - Electric	19.90	0.00	19.90	
			35642596201218	Utilities - Electric	55.99	0.00	55.99	
			35642596251218	Utilities - Electric	44.70	0.00	44.70	
			35642596301218	Utilities - Electric	48.76	0.00	48.76	
			35642596311218	Utilities - Electric	19.82	0.00	19.82	
			35642596351218	Utilities - Electric	45.31	0.00	45.31	
			35642596381218	Utilities - Electric	35.31	0.00	35.31	
			35642596391218	Utilities - Electric	25.25	0.00	25.25	

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Payment No.	Payment Date	Vendor Name	Invoice No.	Description	Invoice Amount	Discount Taken	Amount Paid	Payment Total
			35642596401218	Utilities - Electric	37.52	0.00	37.52	
			35642596451218	Utilities - Electric	72.12	0.00	72.12	
			35642596501218	Utilities - Electric	36.87	0.00	36.87	
			35642596511218	Utilities - Electric	21.27	0.00	21.27	
			35642596701218	Utilities - Electric	22.64	0.00	22.64	
			35642596891218	Utilities - Electric	21.27	0.00	21.27	
			35642597311218	Utilities - Electric	22.43	0.00	22.43	
			35642597411218	Utilities - Electric	25.98	0.00	25.98	
			35642597561218	Utilities - Electric	17.22	0.00	17.22	
			35642597581218	Utilities - Electric	36.18	0.00	36.18	
			35642597781218	Utilities - Electric	25.33	0.00	25.33	
			35642598091218	Utilities - Electric	33.86	0.00	33.86	
			35642598241218	Utilities - Electric	10.51	0.00	10.51	
			35642598321218	Utilities - Electric	33.57	0.00	33.57	
			35642598501218	Utilities - Electric	18.38	0.00	18.38	
			35642598681218	Utilities - Electric	21.14	0.00	21.14	
			35642599031218	Utilities - Electric	28.30	0.00	28.30	
			35642599141218	Utilities - Electric	21.27	0.00	21.27	
			35642599221218	Utilities - Electric	41.39	0.00	41.39	
			35642599231218	Utilities - Electric	17.44	0.00	17.44	
			35642599631218	Utilities - Electric	44.79	0.00	44.79	
			35642599651218	Utilities - Electric	21.20	0.00	21.20	
			35642657101218	Utilities - Electric	23.73	0.00	23.73	
			35644680671218	Utilities - Electric	23.81	0.00	23.81	
			35646567581218	Utilities - Electric	7.67	0.00	7.67	
			35647525511218	Utilities - Electric	29.02	0.00	29.02	
			35647587031218	Utilities - Electric	46.23	0.00	46.23	
			35650040161218	Utilities - Electric	29.38	0.00	29.38	
			35650072021218	Utilities - Electric	17.72	0.00	17.72	
			35650295621218	Utilities - Electric	20.84	0.00	20.84	
			35650736241218	Utilities - Electric	22.71	0.00	22.71	

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Payment No.	Payment Date	Vendor Name	Invoice No.	Description	Invoice Amount	Discount Taken	Amount Paid	Payment Total
			35651995911218	Utilities - Electric	24.31	0.00	24.31	
			35652446011218	Utilities - Electric	26.49	0.00	26.49	
			35652837431218	Utilities - Electric	17.36	0.00	17.36	
			35653850931218	Utilities - Electric	31.84	0.00	31.84	
			35654460381218	Utilities - Electric	20.26	0.00	20.26	
			35655027901218	Utilities - Electric	37.78	0.00	37.78	
			35656758091218	Utilities - Electric	20.78	0.00	20.78	
			35658641991218	Utilities - Electric	20.55	0.00	20.55	
			35659521991218	Utilities - Electric	26.92	0.00	26.92	
			35659719431218	Utilities - Electric	36.39	0.00	36.39	
			35661606411218	Utilities - Electric	21.27	0.00	21.27	
			35662710141218	Utilities - Electric	20.70	0.00	20.70	
			35663598021218	Utilities - Electric	30.83	0.00	30.83	
			35664661631218	Utilities - Electric	29.23	0.00	29.23	
			35666020591218	Utilities - Electric	18.96	0.00	18.96	
			35666267911218	Utilities - Electric	40.38	0.00	40.38	
			35669864391218	Utilities - Electric	23.09	0.00	23.09	
			35671931871218	Utilities - Electric	23.16	0.00	23.16	
			35674252921218	Utilities - Electric	30.40	0.00	30.40	
			35674989851218	Utilities - Electric	18.96	0.00	18.96	
			35675679621218	Utilities - Electric	27.28	0.00	27.28	
			35676150741218	Utilities - Electric	38.28	0.00	38.28	
			35677237451218	Utilities - Electric	35.46	0.00	35.46	
			35677708711218	Utilities - Electric	21.34	0.00	21.34	
			35677904121218	Utilities - Electric	26.34	0.00	26.34	
			35679500461218	Utilities - Electric	32.05	0.00	32.05	
			35679745901218	Utilities - Electric	31.33	0.00	31.33	
			35680001591218	Utilities - Electric	24.17	0.00	24.17	
			35681394251218	Utilities - Electric	17.08	0.00	17.08	
			35685267031218	Utilities - Electric	37.42	0.00	37.42	
			35690738201218	Utilities - Electric	24.89	0.00	24.89	

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Payment No.	Payment Date	Vendor Name	Invoice No.	Description	Invoice Amount	Discount Taken	Amount Paid	Payment Total
			35693522671218	Utilities - Electric	22.28	0.00	22.28	
			35695460941218	Utilities - Electric	26.49	0.00	26.49	
			35695887371218	Utilities - Electric	27.13	0.00	27.13	
			35699206581218	Utilities - Electric	1.30	0.00	1.30	
			61266000051218	Utilities - Gas	4,080.12	0.00	4,080.12	
			74408230821218	Utilities - Electric	48.81	0.00	48.81	
xxx310617	1/31/19	STATE WATER RESOURCES CONTROL BOARD	MARTINEZ 3EXAM	Membership Fees	295.00	0.00	295.00	\$295.00
xxx310618	1/31/19	SUMMIT UNIFORMS	55187	Clothing, Uniforms & Access	20.00	0.00	20.00	\$15,482.84
			55262	Clothing, Uniforms & Access	446.83	0.00	446.83	
			55263	Clothing, Uniforms & Access	238.17	0.00	238.17	
			55264	Clothing, Uniforms & Access	379.10	0.00	379.10	
			55274	Clothing, Uniforms & Access	183.54	0.00	183.54	
			55275	Clothing, Uniforms & Access	154.04	0.00	154.04	
			55276	Clothing, Uniforms & Access	19.67	0.00	19.67	
			55277	Clothing, Uniforms & Access	277.50	0.00	277.50	
			55367	Clothing, Uniforms & Access	204.30	0.00	204.30	
			55447	Clothing, Uniforms & Access	367.08	0.00	367.08	
			55448	Clothing, Uniforms & Access	13.11	0.00	13.11	
			55449	Clothing, Uniforms & Access	303.72	0.00	303.72	
			55450	Clothing, Uniforms & Access	585.58	0.00	585.58	
			55451	Clothing, Uniforms & Access	457.76	0.00	457.76	
			55452	Clothing, Uniforms & Access	400.95	0.00	400.95	
			55453	Clothing, Uniforms & Access	174.80	0.00	174.80	
			55454	Clothing, Uniforms & Access	13.11	0.00	13.11	
			55455	Clothing, Uniforms & Access	46.22	0.00	46.22	
			55456	Clothing, Uniforms & Access	80.85	0.00	80.85	
			55458	Clothing, Uniforms & Access	216.32	0.00	216.32	
			55459	Clothing, Uniforms & Access	108.16	0.00	108.16	
			55460	Clothing, Uniforms & Access	387.84	0.00	387.84	
			55462	Clothing, Uniforms & Access	872.91	0.00	872.91	

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Payment No.	Payment Date	Vendor Name	Invoice No.	Description	Invoice Amount	Discount Taken	Amount Paid	Payment Total
			55463	Clothing, Uniforms & Access	249.09	0.00	249.09	
			55464	Clothing, Uniforms & Access	387.84	0.00	387.84	
			55466	Clothing, Uniforms & Access	161.69	0.00	161.69	
			55483	Clothing, Uniforms & Access	16.39	0.00	16.39	
			55630	Clothing, Uniforms & Access	228.33	0.00	228.33	
			55633	Clothing, Uniforms & Access	337.83	0.00	337.83	
			55635	Clothing, Uniforms & Access	360.53	0.00	360.53	
			55636	Clothing, Uniforms & Access	216.32	0.00	216.32	
			55637	Clothing, Uniforms & Access	242.54	0.00	242.54	
			55638	Clothing, Uniforms & Access	387.84	0.00	387.84	
			55639	Clothing, Uniforms & Access	387.84	0.00	387.84	
			55641	Clothing, Uniforms & Access	108.16	0.00	108.16	
			55642	Clothing, Uniforms & Access	249.09	0.00	249.09	
			55643	Clothing, Uniforms & Access	216.32	0.00	216.32	
			55644	Clothing, Uniforms & Access	249.09	0.00	249.09	
			55646	Clothing, Uniforms & Access	238.17	0.00	238.17	
			55647	Clothing, Uniforms & Access	108.16	0.00	108.16	
			55649	Clothing, Uniforms & Access	108.16	0.00	108.16	
			55650	Clothing, Uniforms & Access	216.32	0.00	216.32	
			55717	Clothing, Uniforms & Access	108.16	0.00	108.16	
			55733	Clothing, Uniforms & Access	119.08	0.00	119.08	
			55734	Clothing, Uniforms & Access	238.17	0.00	238.17	
			55735	Clothing, Uniforms & Access	119.08	0.00	119.08	
			55736	Clothing, Uniforms & Access	257.83	0.00	257.83	
			55737	Clothing, Uniforms & Access	195.56	0.00	195.56	
			55738	Clothing, Uniforms & Access	195.56	0.00	195.56	
			55739	Clothing, Uniforms & Access	275.31	0.00	275.31	
			55740	Clothing, Uniforms & Access	227.24	0.00	227.24	
			55741	Clothing, Uniforms & Access	387.84	0.00	387.84	
			55742	Clothing, Uniforms & Access	270.94	0.00	270.94	
			55747	Clothing, Uniforms & Access	292.79	0.00	292.79	

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Payment No.	Payment Date	Vendor Name	Invoice No.	Description	Invoice Amount	Discount Taken	Amount Paid	Payment Total
			55748	Clothing, Uniforms & Access	367.08	0.00	367.08	
			55750	Clothing, Uniforms & Access	172.62	0.00	172.62	
			55751	Clothing, Uniforms & Access	387.84	0.00	387.84	
			55752	Clothing, Uniforms & Access	792.06	0.00	792.06	
			55753	Clothing, Uniforms & Access	104.88	0.00	104.88	
			55754	Clothing, Uniforms & Access	387.84	0.00	387.84	
			55755	Clothing, Uniforms & Access	161.69	0.00	161.69	
xxx310623	1/31/19	AMERICAN CONSTRUCTION AND SUPPLY INC	NOV2018	Long Term Rent - City Real Property	1,000.00	0.00	1,000.00	\$1,000.00
xxx310624	1/31/19	BEST BUY #BBY685	171053-32970	Refund Utility Account Credit	3,522.86	0.00	3,522.86	\$3,522.86
xxx310625	1/31/19	CHRISTINE CIERI	132781-39572	Refund Utility Account Credit	10.20	0.00	10.20	\$10.20
xxx310626	1/31/19	COMPASS ENGINEERING CONTRACTORS INC	1240NFAIROAK S	Deposits Payable - Miscellaneous	1,000.00	0.00	1,000.00	\$1,000.00
xxx310627	1/31/19	DEIRDRE FERNANDEZ	INT000027209	Refund Over/Duplicate Payment	10.52	0.00	10.52	\$10.52
xxx310628	1/31/19	DONALD R AND LAUREN L SHERMAN	INT000027314	Refund Over/Duplicate Payment	3.04	0.00	3.04	\$3.04
xxx310629	1/31/19	GEORGE BALLOG	416487	Refund Recreation Fees	45.00	0.00	45.00	\$45.00
xxx310630	1/31/19	HARRY JONES TRUSTEE	IN000083844	Refund Over/Duplicate Payment	3.46	0.00	3.46	\$3.46
xxx310631	1/31/19	IMAGINE COMMUNICATIONS CORP	070006	Business License Tax	325.60	0.00	325.60	\$325.60
xxx310632	1/31/19	JANICE MARRELLO	145981-29024	Refund Utility Account Credit	300.14	0.00	300.14	\$300.14
xxx310633	1/31/19	LINDA NIU	INT000027477	Refund Over/Duplicate Payment	3.48	0.00	3.48	\$3.48
xxx310634	1/31/19	PVGP SECOND EL CAMINO PROP LP	195501-34594	Refund Utility Account Credit	634.93	0.00	634.93	\$634.93
xxx310635	1/31/19	ROBERTO'S CANTINA	INT000027501	Refund Over/Duplicate Payment	4.78	0.00	4.78	\$4.78
xxx310636	1/31/19	ROSS DRESS FOR LESS #0011	INT000026956	Refund Over/Duplicate Payment	4.60	0.00	4.60	\$4.60
xxx310637	1/31/19	SANTOS ALATORRE	414850	Refund Recreation Fees	350.00	0.00	350.00	\$350.00
xxx310638	1/31/19	SECURITAS ELECTRONIC SECURITY	20676HOMESTEAD	DPS Alarm Permit Fee	70.00	0.00	70.00	\$70.00
xxx002760	1/31/19	INTERNAL REVENUE SERVICE	950002760	Employer Taxes - FICA - Total	228.42	0.00	228.42	\$60,647.96
			950002760	Employer Taxes - Medicare - Total	60,419.54	0.00	60,419.54	
xxx002761	1/31/19	ICMA RETIREMENT CORP	950002761	Retirement Benefits - Deferred Comp - City Portion	14,047.57	0.00	14,047.57	\$15,456.36
			950002761	Retirement Benefits - PARS	1,408.79	0.00	1,408.79	

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xxx100791	1/31/19	STATE BOARD OF EQUAL DIRECT DEPOSIT	4450342	Use Tax Payable	17,582.14	0.00	17,582.14	\$17,582.14
xxx100792	1/31/19	BAY COUNTIES WASTE SERVICES	NOV2018	Curbside Revenues - Mountain View	-102,937.03	0.00	-102,937.03	\$1,032,694.88
			NOV2018	Host Fees - SMaRT Station - Public Haul Fees	-8,340.31	0.00	-8,340.31	
			NOV2018	MRF Revenues - SMaRT - For Distribution	21,884.24	0.00	21,884.24	
			NOV2018	SMaRT Public Haul Receipts - For Distribution	-107,330.05	0.00	-107,330.05	
			NOV2018	Yardwaste - Mountain View	30,614.95	0.00	30,614.95	
			NOV2018	Yardwaste - Palo Alto	5,458.05	0.00	5,458.05	
			NOV2018	Yardwaste - Sunnyvale	33,158.90	0.00	33,158.90	
			NOV2018	Misc Equip Maint & Repair - Labor	650.00	0.00	650.00	
			NOV2018	Facilities Equipment	27,312.54	0.00	27,312.54	
			NOV2018	General Supplies	1,338.62	0.00	1,338.62	
			NOV2018	HazMat Disposal - Hazardous Waste Disposal	6,138.51	0.00	6,138.51	
			NOV2018	SMaRT Contractor Payment	1,124,746.46	0.00	1,124,746.46	
Grand Total Payment Amount								<u>\$3,555,960.68</u>

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Payment No.	Payment Date	Vendor Name	Invoice No.	Description	Invoice Amount	Discount Taken	Amount Paid	Payment Total
xxx310639	2/5/19	22ND CENTURY TECHNOLOGIES INC	40964	Professional Services	15,840.00	0.00	15,840.00	\$30,800.00
			41985	Professional Services	2,640.00	0.00	2,640.00	
			41987	Professional Services	4,400.00	0.00	4,400.00	
			41988	Professional Services	4,400.00	0.00	4,400.00	
			41989	Professional Services	3,520.00	0.00	3,520.00	
xxx310640	2/5/19	3T EQUIPMENT CO INC	68409	Miscellaneous Equipment	308.86	0.00	308.86	\$308.86
xxx310641	2/5/19	ABLE SEPTIC TANK SERVICE	AC-19-007TM	Construction Services	16,280.34	0.00	16,280.34	\$42,164.92
			TM-18-303-2	Construction Services	25,884.58	0.00	25,884.58	
xxx310642	2/5/19	ADAPTIVE DIGITAL SYSTEMS	20083	General Supplies	19,990.60	0.00	19,990.60	\$19,990.60
xxx310643	2/5/19	ADVANTAGE	129563	Mailing & Delivery Services	1,569.75	0.00	1,569.75	\$5,869.95
			129564	Mailing & Delivery Services	1,569.75	0.00	1,569.75	
			130056	Mailing & Delivery Services	212.55	0.00	212.55	
			130057	Mailing & Delivery Services	294.30	0.00	294.30	
			130058	Mailing & Delivery Services	501.40	0.00	501.40	
			130059	Mailing & Delivery Services	1,291.65	0.00	1,291.65	
			130060	Mailing & Delivery Services	430.55	0.00	430.55	
xxx310644	2/5/19	AIRGAS USA LLC	9083186853	Inventory Purchase	156.75	0.00	156.75	\$886.93
			9083335254	Inventory Purchase	49.68	0.00	49.68	
			9958965523	General Supplies	194.41	0.00	194.41	
			9959651852	Equipment Rental/Lease	486.09	0.00	486.09	
xxx310645	2/5/19	ALAMEDA COUNTY INFORMATION TECH DEPT	112-1812058	Software As a Service	1,547.40	0.00	1,547.40	\$1,547.40
xxx310646	2/5/19	AMFASOFT CORP	TONMAR-01	DED Services/Training - Training	4,500.00	0.00	4,500.00	\$4,500.00
xxx310647	2/5/19	AON RISK INSURANCE SERVICES WEST INC	8200000254561	Insurances - Fidelity	2,750.00	0.00	2,750.00	\$2,750.00
xxx310649	2/5/19	BAY COUNTIES WASTE SERVICES	027260	Recycling Services	58,067.75	0.00	58,067.75	\$58,067.75
xxx310650	2/5/19	C OVERAA & CO	180766	Misc Equip Maint & Repair - Labor	7,924.00	0.00	7,924.00	\$9,104.00
			180766	Misc Equip Maint & Repair - Materials	1,180.00	0.00	1,180.00	
xxx310651	2/5/19	DLT SOLUTIONS LLC	SI417213	Software As a Service	1,242.00	0.00	1,242.00	\$1,242.00
xxx310652	2/5/19	DAVID COLEMAN	235214182	DED Services/Training - Books	96.95	0.00	96.95	\$128.70

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xxx310653	2/5/19	DELL MARKETING LP	655772-4746642	DED Services/Training - Books	31.75	0.00	31.75	\$3,579.96
			10293676674	Computer Hardware	887.21	0.00	887.21	
			10293858987	Computer Hardware	53.14	0.00	53.14	
			10293917579	Computer Hardware	3,244.47	0.00	3,244.47	
			10294223890	General Supplies	408.75	0.00	408.75	
			60112318881	Computer Hardware	-412.23	0.00	-412.23	
			60112318890	Computer Hardware	-601.38	0.00	-601.38	
xxx310655	2/5/19	FERGUSON ENTERPRISES INC	1425669	Water Meter Boxes, Vaults, and Lids	27,648.00	0.00	27,648.00	\$27,648.00
xxx310656	2/5/19	FISHER SCIENTIFIC CO LLC	3295734	General Supplies	146.40	0.00	146.40	\$1,408.72
			4491179	General Supplies	391.62	0.00	391.62	
			5538388	General Supplies	870.70	0.00	870.70	
xxx310657	2/5/19	FREMONT UNION HIGH SCHOOL DISTRICT	V190110	DED Services/Training - Training	35.00	0.00	35.00	\$35.00
xxx310658	2/5/19	GARDENLAND POWER EQUIPMENT	633867	Misc Equip Maint & Repair - Materials	287.98	0.00	287.98	\$932.35
			635798	Misc Equip Maint & Repair - Materials	644.37	0.00	644.37	
xxx310659	2/5/19	GOLDFARB LIPMAN ATTORNEYS	129761	Legal Services	1,223.78	0.00	1,223.78	\$1,706.78
			129762	Legal Services	483.00	0.00	483.00	
xxx310660	2/5/19	GOODYEAR COMMERCIAL TIRE & SERVICE CTR	189-1100425	Parts, Vehicles & Motor Equip	90.00	0.00	90.00	\$8,853.04
			189-1100477	Parts, Vehicles & Motor Equip	120.00	0.00	120.00	
			189-1100485	Inventory Purchase	5,512.96	0.00	5,512.96	
			189-1100540	Inventory Purchase	3,130.08	0.00	3,130.08	
xxx310661	2/5/19	GREENSIDE SUPPLY & SERVICE	037327	Inventory Purchase	219.74	0.00	219.74	\$219.74
xxx310662	2/5/19	HACH CO INC	11264819	Chemicals	465.74	0.00	465.74	\$1,831.68
			11268460	General Supplies	558.83	0.00	558.83	
			11280356	General Supplies	807.11	0.00	807.11	
xxx310663	2/5/19	HYBRID COMMERCIAL PRINTING INC	26727	Printing & Related Services	760.82	0.00	760.82	\$1,060.57
			26737	Printing & Related Services	299.75	0.00	299.75	
xxx310664	2/5/19	IMAGEX	216876	Printing & Related Services	780.57	0.00	780.57	\$2,122.43
			216990	Printing & Related Services	1,341.86	0.00	1,341.86	
xxx310665	2/5/19	INGRAM LIBRARY SERVICES INC	37971593	Library Acquisitions, Books	-38.89	0.00	-38.89	\$20,734.93
			38659713	Library Acquisitions, Books	631.24	0.00	631.24	

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			38659713	Library Materials Preprocessing	627.79	0.00	627.79	
			38659714	Library Acquisitions, Books	2,139.53	0.00	2,139.53	
			38659714	Library Materials Preprocessing	748.13	0.00	748.13	
			38659715	Library Acquisitions, Books	209.44	0.00	209.44	
			38659716	Library Acquisitions, Books	3,343.22	0.00	3,343.22	
			38659716	Library Materials Preprocessing	195.88	0.00	195.88	
			38659717	Library Acquisitions, Books	6,208.77	0.00	6,208.77	
			38659717	Library Materials Preprocessing	922.90	0.00	922.90	
			38659718	Library Acquisitions, Books	5,191.71	0.00	5,191.71	
			38659718	Library Materials Preprocessing	555.21	0.00	555.21	
xxx310667	2/5/19	INTEGRATED ARCHIVE SYSTEMS INC	0089965-IN	Software Licensing & Support	5,767.73	0.00	5,767.73	\$5,767.73
xxx310668	2/5/19	INTERVISION SYSTEMS LLC	INV0004220	Software Licensing & Support	989.00	0.00	989.00	\$989.00
xxx310669	2/5/19	IRVINE & JACHENS INC	2644	Miscellaneous Services	750.59	0.00	750.59	\$750.59
xxx310670	2/5/19	JOINT VENTURE SILICON VALLEY	551SOVSNVL	Training and Conferences	1,500.00	0.00	1,500.00	\$1,500.00
xxx310671	2/5/19	KOHLWEISS INC	01PV5987	Parts, Vehicles & Motor Equip	133.07	0.00	133.07	\$1,996.61
			01PV6051	Parts, Vehicles & Motor Equip	-36.94	0.00	-36.94	
			01PV6076	Parts, Vehicles & Motor Equip	100.30	0.00	100.30	
			01PV7071	Inventory Purchase	1,286.55	25.73	1,260.82	
			01PV7615	Inventory Purchase	550.37	11.01	539.36	
xxx310672	2/5/19	L3 COMMUNICATIONS MOBILE VISION INC	0339307-IN	Comm Equip Maintain & Repair - Labor 1	155.59	0.00	155.59	\$155.59
xxx310673	2/5/19	LANCESOFT, INC.	LR-2019-85403	Professional Services	3,687.50	0.00	3,687.50	\$3,687.50
xxx310674	2/5/19	LAWSON PRODUCTS INC	9306433834	Miscellaneous Equipment Parts & Supplies	740.15	0.00	740.15	\$740.15
xxx310675	2/5/19	LIEBERT CASSIDY WHITMORE	1470849	Legal Services	1,394.00	0.00	1,394.00	\$1,502.00
			1470853	Legal Services	108.00	0.00	108.00	
xxx310676	2/5/19	LIPING ZHANG	CK REQ 19-113	DED Services/Training - Books	164.79	0.00	164.79	\$164.79
xxx310677	2/5/19	MARSHA HOVEY, LLC	SV-003	Consultants	8,312.50	0.00	8,312.50	\$8,312.50
xxx310678	2/5/19	MOTOROLA	16034459	Communication Equipment	2,271.26	0.00	2,271.26	\$2,271.26
xxx310679	2/5/19	MOUNTAIN VIEW LOS ALTOS ADULT SCHOOL	011719	DED Services/Training - Training	17.50	0.00	17.50	\$17.50
xxx310680	2/5/19	MULTIQUIP INC	93191101	Parts, Vehicles & Motor Equip	5,006.02	0.00	5,006.02	\$5,006.02

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xxx310681	2/5/19	MUNICIPAL MAINTENANCE EQUIPMENT INC	0133262-CM	Parts, Vehicles & Motor Equip	-203.87	0.00	-203.87	\$429.05
			0133935-IN	Parts, Vehicles & Motor Equip	319.78	0.00	319.78	
			0134063-IN	Parts, Vehicles & Motor Equip	116.24	0.00	116.24	
			0134179-IN	Parts, Vehicles & Motor Equip	196.90	0.00	196.90	
xxx310682	2/5/19	MYERS TIRE SUPPLY CO	83516126	Parts, Vehicles & Motor Equip	208.16	0.00	208.16	\$208.16
xxx310683	2/5/19	NAPA AUTO PARTS	5983-446062	Parts, Vehicles & Motor Equip	50.60	0.00	50.60	\$605.24
			5983-446119	Parts, Vehicles & Motor Equip	5.56	0.00	5.56	
			5983-446123	Parts, Vehicles & Motor Equip	31.57	0.00	31.57	
			5983-446162	Parts, Vehicles & Motor Equip	14.20	0.00	14.20	
			5983-446213	Parts, Vehicles & Motor Equip	8.54	0.00	8.54	
			5983-446278	Parts, Vehicles & Motor Equip	75.25	0.00	75.25	
			5983-446388	Parts, Vehicles & Motor Equip	3.00	0.00	3.00	
			5983-446466	Parts, Vehicles & Motor Equip	54.41	0.00	54.41	
			5983-446496	Parts, Vehicles & Motor Equip	27.70	0.00	27.70	
			5983-446497	Parts, Vehicles & Motor Equip	55.56	0.00	55.56	
			5983-446504	Parts, Vehicles & Motor Equip	11.51	0.00	11.51	
			5983-446620	Parts, Vehicles & Motor Equip	10.93	0.00	10.93	
			5983-446631	Parts, Vehicles & Motor Equip	89.34	0.00	89.34	
			5983-446653	Parts, Vehicles & Motor Equip	53.46	0.00	53.46	
			5983-447082	Parts, Vehicles & Motor Equip	113.61	0.00	113.61	
xxx310685	2/5/19	NEOPOST USA INC.	15622497	General Supplies	305.20	0.00	305.20	\$305.20
xxx310687	2/5/19	PACIFIC WEST SECURITY INC	15899	Alarm Services	177.00	0.00	177.00	\$177.00
xxx310688	2/5/19	PEARSON BUICK GMC	331212	Parts, Vehicles & Motor Equip	231.20	0.00	231.20	\$231.20
xxx310689	2/5/19	R & R PRODUCTS INC	CD2297309	Parts, Vehicles & Motor Equip	158.87	0.00	158.87	\$2,183.85
			CD2299528	Parts, Vehicles & Motor Equip	2,024.98	0.00	2,024.98	
xxx310690	2/5/19	READYREFRESH BY NESTLE	19A0024199309	Miscellaneous Services	49.15	0.00	49.15	\$85.32
			19A0028805083	General Supplies	36.17	0.00	36.17	
xxx310691	2/5/19	REED & GRAHAM INC	938590	Materials - Land Improve	874.62	0.00	874.62	\$6,063.48
			938708	Materials - Land Improve	1,602.30	0.00	1,602.30	
			938798	Materials - Land Improve	575.11	0.00	575.11	
			938906	Materials - Land Improve	3,011.45	0.00	3,011.45	

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xxx310692	2/5/19	SCC DTAC	5575190-18/19	Taxes & Licenses	118.36	0.00	118.36	\$118.36
xxx310693	2/5/19	SAFEWAY INC	721799-012819	Food Products	74.02	0.00	74.02	\$117.92
			726532-100518	Advertising Services	10.00	0.00	10.00	
			801585-012819	Food Products	16.95	0.00	16.95	
			807325-012819	Food Products	16.95	0.00	16.95	
xxx310694	2/5/19	SILICON VALLEY POLYTECHNIC INSTITUTE	01282019-598R	DED Services/Training - Training	1,000.00	0.00	1,000.00	\$1,000.00
xxx310695	2/5/19	SPORTZANIA INC DBA SKYHAWKS SPORTS	SKY2018ND	Rec Instructors/Officials	16,532.35	0.00	16,532.35	\$19,162.90
			SKY2019JC	Rec Instructors/Officials	2,630.55	0.00	2,630.55	
xxx310696	2/5/19	STEVENS CREEK CHRYSLER JEEP DODGE	359121	Parts, Vehicles & Motor Equip	174.60	0.00	174.60	\$174.60
xxx310697	2/5/19	SUNNYVALE FORD	139365	Parts, Vehicles & Motor Equip	123.98	0.00	123.98	\$1,858.67
			139436	Parts, Vehicles & Motor Equip	222.31	0.00	222.31	
			139564	Parts, Vehicles & Motor Equip	46.15	0.00	46.15	
			139603	Parts, Vehicles & Motor Equip	51.55	0.00	51.55	
			139606	Parts, Vehicles & Motor Equip	10.28	0.00	10.28	
			139632	Parts, Vehicles & Motor Equip	243.21	0.00	243.21	
			139633	Parts, Vehicles & Motor Equip	56.04	0.00	56.04	
			139703	Parts, Vehicles & Motor Equip	49.01	0.00	49.01	
			139709-1	Parts, Vehicles & Motor Equip	369.35	0.00	369.35	
			139801	Parts, Vehicles & Motor Equip	403.28	0.00	403.28	
			140048	Parts, Vehicles & Motor Equip	139.72	0.00	139.72	
			140052	Parts, Vehicles & Motor Equip	80.01	0.00	80.01	
			140096	Parts, Vehicles & Motor Equip	101.93	0.00	101.93	
			CM139436	Parts, Vehicles & Motor Equip	-38.15	0.00	-38.15	
xxx310699	2/5/19	SUPPLYWORKS	475809406	Inventory Purchase	72.88	0.67	72.21	\$72.21
xxx310700	2/5/19	TRISTAR RISK MANAGEMENT	96434	Workers' Compensation - Administration	1,532.92	0.00	1,532.92	\$1,532.92
xxx310701	2/5/19	TARGET SPECIALTY PRODUCTS INC	PI0909012	Materials - Land Improve	817.38	0.00	817.38	\$817.38
xxx310702	2/5/19	THE SIGN SHOP	4059	Services Maintain Land Improv	1,062.75	0.00	1,062.75	\$1,062.75
xxx310703	2/5/19	TIMOTHY SO	CK REQ 19-122	DED Services/Training - Books	735.00	0.00	735.00	\$735.00
xxx310704	2/5/19	TOGOS SUNNYVALE	6	Food Products	113.36	0.00	113.36	\$113.36
xxx310705	2/5/19	TURF STAR INC	7038202-00	General Supplies	1,094.28	0.00	1,094.28	\$2,670.83

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			7044867-00	Parts, Vehicles & Motor Equip	44.01	0.00	44.01	
			7044870-00	Parts, Vehicles & Motor Equip	1,418.05	0.00	1,418.05	
			7045646-00	Parts, Vehicles & Motor Equip	114.49	0.00	114.49	
xxx310706	2/5/19	US HEALTHWORKS MEDICAL GROUP PC	3402203-CA	Pre-Employment Testing	772.00	0.00	772.00	\$1,845.00
			3418661-CA	Pre-Employment Testing	1,073.00	0.00	1,073.00	
xxx310707	2/5/19	UNITED PARCEL SERVICE	0000966608019	Mailing & Delivery Services	335.58	0.00	335.58	\$335.58
xxx310708	2/5/19	UNITED RENTALS	139838537-032	Construction Services	4,169.82	0.00	4,169.82	\$10,070.22
			164474904-001	Construction Services	1,417.09	0.00	1,417.09	
			164474904-002	Construction Services	3,182.36	0.00	3,182.36	
			164588637-001	Construction Services	1,300.95	0.00	1,300.95	
xxx310709	2/5/19	UNIVERSITY OF CALIFORNIA SANTA CRUZ	577966	DED Services/Training - Training	600.00	0.00	600.00	\$4,891.50
			57821	DED Services/Training - Training	600.00	0.00	600.00	
			57938	DED Services/Training - Training	537.50	0.00	537.50	
			58027	DED Services/Training - Training	364.00	0.00	364.00	
			58372	DED Services/Training - Training	2,790.00	0.00	2,790.00	
xxx310710	2/5/19	V & A CONSULTING ENGINEERS	18065	Professional Services	8,581.00	0.00	8,581.00	\$8,581.00
xxx310711	2/5/19	VMI INC	242048	Misc Equip Maint & Repair - Labor	220.00	0.00	220.00	\$220.00
xxx310712	2/5/19	VERDE DESIGN INC	15-1619400	Consultants	300.00	0.00	300.00	\$300.00
xxx310713	2/5/19	WOWZY CREATION CORP	92046	General Supplies	415.75	0.00	415.75	\$415.75
xxx310714	2/5/19	WEST VALLEY STAFFING GROUP	244687	Professional Services	2,335.47	0.00	2,335.47	\$9,276.09
			245819	Professional Services	2,664.26	0.00	2,664.26	
			246375	Professional Services	2,105.28	0.00	2,105.28	
			246883	Professional Services	2,171.08	0.00	2,171.08	
xxx310715	2/5/19	WILLIAM KONG	CK REQ 19-124	DED Services/Training - Books	38.83	0.00	38.83	\$38.83
xxx310716	2/5/19	WILSEY HAM	22496	Consultants	4,598.76	0.00	4,598.76	\$4,598.76
xxx310717	2/5/19	ALL OVER AGAIN PRODUCTIONS LLC	FEB/15/2019	Special Events	5,000.00	0.00	5,000.00	\$5,000.00
xxx310718	2/5/19	MYRA HARRIS	E1819-2(G)	Miscellaneous Services	2,216.00	0.00	2,216.00	\$2,216.00
xxx310719	2/5/19	OFFICE DEPOT INC	239045326001	Supplies, Office	109.48	0.00	109.48	\$14,231.19
			249515293001	Supplies, Office	204.77	0.00	204.77	
			250428538001	Supplies, Office	471.18	0.00	471.18	
			252764364001	Supplies, Office	64.17	0.00	64.17	

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			252782701001	Supplies, Office	31.16	0.00	31.16	
			252814520001	Supplies, Office	118.98	0.00	118.98	
			253072362001	Supplies, Office	99.60	0.00	99.60	
			253308473001	Supplies, Office	107.14	0.00	107.14	
			253332536001	Supplies, Office	62.12	0.00	62.12	
			253347024001	Supplies, Office	23.79	0.00	23.79	
			253392669001	Supplies, Office	45.77	0.00	45.77	
			253472199001	Supplies, Office	10.28	0.00	10.28	
			253474950001	Supplies, Office	29.54	0.00	29.54	
			253485847001	Supplies, Office	87.40	0.00	87.40	
			253611479001	Supplies, Office	112.52	0.00	112.52	
			253612169001	Supplies, Office	-96.99	0.00	-96.99	
			253613512001	Supplies, Office	62.42	0.00	62.42	
			253621429001	Supplies, Office	96.99	0.00	96.99	
			253952432001	Supplies, Office	17.92	0.00	17.92	
			254109587001	Supplies, Office	18.63	0.00	18.63	
			254185131001	Supplies, Office	517.60	0.00	517.60	
			254185898001	Supplies, Office	63.10	0.00	63.10	
			254192167001	Supplies, Office	84.46	0.00	84.46	
			254238910001	Supplies, Office	8.67	0.00	8.67	
			254407337001	Supplies, Office	13.92	0.00	13.92	
			254407805001	Supplies, Office	20.83	0.00	20.83	
			254605297001	Supplies, Office	41.41	0.00	41.41	
			254606805001	Supplies, Office	120.51	0.00	120.51	
			254614369001	Supplies, Office	161.85	0.00	161.85	
			254858088001	Supplies, Office	32.58	0.00	32.58	
			254866447001	Supplies, Office	23.77	0.00	23.77	
			255361929001	Supplies, Office	100.18	0.00	100.18	
			255437769001	Supplies, Office	35.90	0.00	35.90	
			255446925001	Supplies, Office	289.87	0.00	289.87	
			255669139001	Supplies, Office	318.87	0.00	318.87	

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			255670344001	Supplies, Office	6.76	0.00	6.76	
			255778739001	Supplies, Office	140.27	0.00	140.27	
			255860509001	Supplies, Office	41.38	0.00	41.38	
			255896881001	Supplies, Office	55.99	0.00	55.99	
			255921246001	Supplies, Office	15.89	0.00	15.89	
			256020951001	Supplies, Office	28.00	0.00	28.00	
			256021384001	Supplies, Office	54.57	0.00	54.57	
			256149495001	Supplies, Office	77.89	0.00	77.89	
			256158976001	Supplies, Office	75.77	0.00	75.77	
			256476980001	Supplies, Office	95.91	0.00	95.91	
			256545406001	Supplies, Office	25.92	0.00	25.92	
			256583046001	Supplies, Office	116.89	0.00	116.89	
			256610519001	Supplies, Office	103.64	0.00	103.64	
			256630765001	Supplies, Office	9.80	0.00	9.80	
			256637082001	Supplies, Office	65.88	0.00	65.88	
			256637672001	Supplies, Office	59.03	0.00	59.03	
			256640024001	Supplies, Office	14.80	0.00	14.80	
			256658264001	Supplies, Office	224.70	0.00	224.70	
			256807369001	Supplies, Office	113.29	0.00	113.29	
			256959619001	Supplies, Office	71.85	0.00	71.85	
			257029561001	Supplies, Office	87.09	0.00	87.09	
			257850246001	Supplies, Office	34.59	0.00	34.59	
			258115143001	Supplies, Office	120.40	0.00	120.40	
			258126810001	Supplies, Office	29.05	0.00	29.05	
			258334299001	Supplies, Office	260.89	0.00	260.89	
			258334509001	Supplies, Office	258.23	0.00	258.23	
			258851738001	Supplies, Office	59.29	0.00	59.29	
			258853185001	Supplies, Office	-28.00	0.00	-28.00	
			259203337001	Inventory Purchase	8,236.16	0.00	8,236.16	
			259272030001	Supplies, Office	8.39	0.00	8.39	
			259281356001	Supplies, Office	17.55	0.00	17.55	

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			259300348001	Supplies, Office	26.48	0.00	26.48	
			259639232001	Supplies, Office	55.91	0.00	55.91	
			259639766001	Supplies, Office	29.42	0.00	29.42	
			259852337001	Supplies, Office	28.25	0.00	28.25	
			259856578001	Supplies, Office	98.87	0.00	98.87	
xxx310725	2/5/19	ALCAZAR COMMUNICATION EDUCATION CENTER	CR931465-005	Deposits Payable - Property Management	906.25	0.00	906.25	\$906.25
xxx310726	2/5/19	GIL SALMAN	138931-17778	Refund Utility Account Credit	3,165.04	0.00	3,165.04	\$3,165.04
xxx310727	2/5/19	GROCERY OUTLET INC	183049-1108	Refund Utility Account Credit	1,048.64	0.00	1,048.64	\$1,048.64
xxx310728	2/5/19	JONES LANG LASALLE AMERICAS INC	2018-7901	Technology Surcharge	20.50	0.00	20.50	\$1,496.50
			2018-7901	Legislative Actions	1,476.00	0.00	1,476.00	
xxx310729	2/5/19	THE LOCAL 102 LOUNGE BARKEEPER INC	BL065929 18-19	Business License Tax	302.86	0.00	302.86	\$302.86
xxx310730	2/5/19	MACARA GARDENS APTS	77565-47994	Refund Utility Account Credit	50,008.35	0.00	50,008.35	\$50,008.35
xxx310731	2/7/19	ABBINGTON COURT MEDIA	JULY/10/2019	Special Events	1,795.00	0.00	1,795.00	\$1,795.00
xxx310732	2/7/19	ACCESS HARDWARE	5709724-IN	Bldg Maint Matls & Supplies	1,993.40	0.00	1,993.40	\$3,586.38
			5709924-IN	Bldg Maint Matls & Supplies	1,418.76	0.00	1,418.76	
			5711705-IN	Bldg Maint Matls & Supplies	174.22	0.00	174.22	
xxx310733	2/7/19	ACME BOILER & WATER HEATING CO	4608	Facilities Maintenance & Repair Labor	350.00	0.00	350.00	\$6,366.46
			4609	Facilities Maintenance & Repair Labor	396.36	0.00	396.36	
			4611	Facilities Maint & Repair - Labor	350.00	0.00	350.00	
			4611	Facilities Maint & Repair - Materials	119.84	0.00	119.84	
			4612	Facilities Maint & Repair - Labor	350.00	0.00	350.00	
			4612	Facilities Maint & Repair - Materials	406.83	0.00	406.83	
			4613	Facilities Maintenance & Repair Labor	562.50	0.00	562.50	
			4616	Facilities Maintenance & Repair Labor	957.50	0.00	957.50	
			4633	Facilities Maintenance & Repair Labor	962.50	0.00	962.50	
			4647	Facilities Maintenance & Repair Labor	310.00	0.00	310.00	
			4659	Facilities Maintenance & Repair Labor	350.00	0.00	350.00	
			4672	Facilities Maintenance & Repair Labor	700.00	0.00	700.00	
			4708	Facilities Maint & Repair - Labor	485.00	0.00	485.00	
			4708	Facilities Maint & Repair - Materials	65.93	0.00	65.93	
xxx310735	2/7/19	ALL STAR GLASS						\$603.12

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			ISJ060337	Auto Maint & Repair - Labor	253.00	0.00	253.00	
			ISJ060337	Auto Maint & Repair - Materials	350.12	0.00	350.12	
xxx310736	2/7/19	AMERICAN TEXTILE & SUPPLY INC	97981	Inventory Purchase	287.32	0.00	287.32	\$287.32
xxx310737	2/7/19	APPLEONE EMPLOYMENT SERVICES	01-5105430	Salaries - Contract Personnel	7,262.93	0.00	7,262.93	\$48,325.01
			01-5116040	Salaries - Contract Personnel	16,276.24	0.00	16,276.24	
			01-5116040	Travel Expenses - Mileage	33.48	0.00	33.48	
			01-5118031	Salaries - Contract Personnel	14,624.57	0.00	14,624.57	
			01-5118031	Travel Expenses - Mileage	32.31	0.00	32.31	
			01-5129879	Salaries - Contract Personnel	10,095.48	0.00	10,095.48	
xxx310741	2/7/19	ASSOCIATED INFRASTRUCTURE MGMT SERVICES	2018-018	Consultants	7,144.20	0.00	7,144.20	\$7,144.20
xxx310742	2/7/19	BSI EHS SERVICES & SOLUTIONS	49871	Consultants	7,011.23	0.00	7,011.23	\$7,011.23
xxx310743	2/7/19	BACKFLOW PREVENTION SPECIALISTS INC	8000	Water Backflow Valves	495.38	0.00	495.38	\$495.38
xxx310744	2/7/19	BAKER & TAYLOR	4012445099	Library Acquisitions, Books	141.35	0.00	141.35	\$145.62
			4012445099	Library Materials Preprocessing	4.27	0.00	4.27	
xxx310745	2/7/19	BAY AREA NEWS GROUP DIGITAL FIRST MEDIA	0006254175	Advertising Services	165.00	0.00	165.00	\$919.00
			0006259107	Advertising Services	754.00	0.00	754.00	
xxx310746	2/7/19	BAY AREA POLYGRAPH	871	Investigation Expense	4,925.00	0.00	4,925.00	\$4,925.00
xxx310747	2/7/19	BAY-VALLEY PEST CONTROL INC	0252188	Facilities Maintenance & Repair Labor	56.00	0.00	56.00	\$380.00
			0252189	Facilities Maintenance & Repair Labor	56.00	0.00	56.00	
			0252199	Facilities Maintenance & Repair Labor	86.00	0.00	86.00	
			0252220	Services Maintain Land Improv	62.00	0.00	62.00	
			0252224	Services Maintain Land Improv	58.00	0.00	58.00	
			0252233	Services Maintain Land Improv	62.00	0.00	62.00	
xxx310748	2/7/19	BOUND TREE MEDICAL LLC	83093199	Supplies, First Aid	1,788.14	0.00	1,788.14	\$1,788.14
xxx310749	2/7/19	BUCKLES-SMITH ELECTRIC CO	3123699-01	Electrical Parts & Supplies	82.17	0.00	82.17	\$9,418.02
			3129554-00	Computer Software	9,335.85	0.00	9,335.85	
xxx310750	2/7/19	BURKE WILLIAMS & SORENSEN LLP	236229	Legal Services	255.50	0.00	255.50	\$255.50
xxx310751	2/7/19	BURTONS FIRE INC	S43521	Parts, Vehicles & Motor Equip	194.06	0.00	194.06	\$194.06
xxx310752	2/7/19	CSI CLEANROOM INC	5355	Miscellaneous Services	480.00	0.00	480.00	\$480.00

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xxx310753	2/7/19	CALIFORNIA DEPT OF GENERAL SERVICES	1415559	Utilities - Gas	60,069.66	0.00	60,069.66	\$60,069.66
xxx310754	2/7/19	CALLANDER ASSOC	18054-4	Consultants	1,919.72	0.00	1,919.72	\$1,919.72
xxx310755	2/7/19	CALTEST ANALYTICAL LABORATORY	594284	Water Lab Services	57.83	0.00	57.83	\$462.64
			594469	Water Lab Services	57.83	0.00	57.83	
			594470	Water Lab Services	57.83	0.00	57.83	
			594578	Water Lab Services	115.66	0.00	115.66	
			594579	Water Lab Services	57.83	0.00	57.83	
			594580	Water Lab Services	115.66	0.00	115.66	
xxx310756	2/7/19	CARBONIC SERVICE INC	190871	Equipment Rental/Lease	240.53	0.00	240.53	\$240.53
xxx310757	2/7/19	CITY & COUNTY OF SAN FRANCISCO	REGP-05	Contracts/Service Agreements	25,627.24	0.00	25,627.24	\$25,627.24
xxx310758	2/7/19	CLAY PLANET	220728	General Supplies	49.60	0.00	49.60	\$1,251.92
			220734	General Supplies	1,202.32	0.00	1,202.32	
xxx310759	2/7/19	CORE POWER SERVICES INC	13740	Facilities Maintenance & Repair Labor	3,337.00	0.00	3,337.00	\$3,337.00
xxx310760	2/7/19	CORIX WATER PRODUCTS US INC	17913002577	Inventory Purchase	534.08	4.90	529.18	\$566.98
			17913002580	Inventory Purchase	38.15	0.35	37.80	
xxx310761	2/7/19	CUNNINGHAM ELECTRIC INC	9274	Facilities Maint & Repair - Labor	550.00	0.00	550.00	\$1,130.00
			9274	Facilities Maint & Repair - Materials	580.00	0.00	580.00	
xxx310762	2/7/19	D & M TRAFFIC SERVICES INC	62927	Inventory Purchase	170.86	0.00	170.86	\$170.86
xxx310763	2/7/19	DAVID J POWERS & ASSOC INC	23288	Developer Passthroughs-Downtown Projects	52,862.99	0.00	52,862.99	\$52,862.99
xxx310764	2/7/19	DE ANZA APPLIANCE	0119-7071-2805	Facilities Maintenance & Repair Labor	215.00	0.00	215.00	\$215.00
xxx310765	2/7/19	DEBRA CHROMCZAK	64	Professional Services	522.50	0.00	522.50	\$1,615.00
			66	Consultants	1,092.50	0.00	1,092.50	
xxx310766	2/7/19	DELL MARKETING LP	10294864410	Computer Hardware	7,678.30	0.00	7,678.30	\$10,163.69
			10295092873	Computer Hardware	506.58	0.00	506.58	
			10295336405	Computer Hardware	1,978.81	0.00	1,978.81	
xxx310767	2/7/19	DOOLEY ENTERPRISES INC	56066	Ammunition	9,466.15	0.00	9,466.15	\$9,466.15
xxx310768	2/7/19	DOWNEY BRAND LLP	532755	Legal Services	472.80	0.00	472.80	\$472.80
xxx310769	2/7/19	E-Z-GO TEXTRON INC	91676134	Parts, Vehicles & Motor Equip	661.79	0.00	661.79	\$661.79
xxx310770	2/7/19	EWING IRRIGATION PRODUCTS INC	6770547	Materials - Land Improve	318.77	0.00	318.77	\$318.77
xxx310771	2/7/19	FEDEX	6-441-57849	Mailing & Delivery Services	56.74	0.00	56.74	\$56.74

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xxx310772	2/7/19	FERGUSON ENTERPRISES INC	1417937-2	Construction Services	6,367.68	0.00	6,367.68	\$8,136.21
			1423673	Construction Services	1,768.53	0.00	1,768.53	
xxx310773	2/7/19	FIRE & RISK ALLIANCE LLC	132-001-31	Miscellaneous Services	59,969.12	0.00	59,969.12	\$59,969.12
xxx310774	2/7/19	FISHER SCIENTIFIC CO LLC	1675493	Chemicals	99.83	0.00	99.83	\$1,090.55
			2958126	General Supplies	255.07	0.00	255.07	
			2958127	General Supplies	344.03	0.00	344.03	
			8105804	General Supplies	391.62	0.00	391.62	
xxx310775	2/7/19	FITGUARD INC	0000153398	Professional Services	135.00	0.00	135.00	\$610.00
			0000153838	Misc Equip Maint & Repair	95.00	0.00	95.00	
			0000153866	Misc Equip Maint & Repair	95.00	0.00	95.00	
			0000154091	Misc Equip Maint & Repair	95.00	0.00	95.00	
			0000154092	Misc Equip Maint & Repair	95.00	0.00	95.00	
			0000154095	Misc Equip Maint & Repair	95.00	0.00	95.00	
xxx310776	2/7/19	FIX AIR	3037807	Bldg Maint Matls & Supplies	221.20	0.00	221.20	\$1,118.93
			3039099	Bldg Maint Matls & Supplies	897.73	0.00	897.73	
xxx310777	2/7/19	FLEETPRIDE INC	19177929	Parts, Vehicles & Motor Equip	147.73	0.00	147.73	\$147.73
xxx310778	2/7/19	FOSTER BROS SECURITY SYSTEMS INC	306358	Bldg Maint Matls & Supplies	262.69	0.00	262.69	\$909.27
			306768	Bldg Maint Matls & Supplies	53.41	0.00	53.41	
			306962	Bldg Maint Matls & Supplies	593.17	0.00	593.17	
xxx310779	2/7/19	GCS ENVIRONMENTAL EQUIPMENT SERVICES INC	18754	Parts, Vehicles & Motor Equip	1,329.66	0.00	1,329.66	\$1,329.66
xxx310780	2/7/19	GALE/CENGAGE LEARNING	66044388	Library Acquisitions, Books	570.11	0.00	570.11	\$570.11
xxx310781	2/7/19	GOLDFARB LIPMAN ATTORNEYS	129759	Legal Services	523.53	0.00	523.53	\$1,113.53
			129760	Legal Services	590.00	0.00	590.00	
xxx310782	2/7/19	GOODYEAR COMMERCIAL TIRE & SERVICE CTR	189-1100338	Auto Maint & Repair - Labor	195.68	0.00	195.68	\$282.93
			189-1100338	Auto Maint & Repair - Materials	87.25	0.00	87.25	
xxx310783	2/7/19	HDR ENGINEERING INC	1200162028	Engineering Services	5,816.40	0.00	5,816.40	\$5,816.40
xxx310784	2/7/19	HACH CO INC	11301156	General Supplies	790.81	0.00	790.81	\$790.81
xxx310785	2/7/19	HI TECH EMERGENCY VEHICLE SERVICE INC	162914	Parts, Vehicles & Motor Equip	139.38	0.00	139.38	\$139.38
xxx310786	2/7/19	HI-TECH OPTICAL INC	786584	Benefits and Incentives - Prescription Safety Glasses	170.00	0.00	170.00	\$370.00

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			787450	Benefits and Incentives - Prescription	200.00	0.00	200.00	
				Safety Glasses				
xxx310787	2/7/19	IPS GROUP INC	34518	Credit Card Fees	117.00	0.00	117.00	\$1,033.51
			38536	Credit Card Fees	489.65	0.00	489.65	
			39076	Credit Card Fees	426.86	0.00	426.86	
xxx310788	2/7/19	IMPERIAL SPRINKLER SUPPLY	3600769-00	Materials - Land Improve	154.20	0.00	154.20	\$212.61
			3611072-00	Misc Equip Maint & Repair - Materials	58.41	0.00	58.41	
xxx310789	2/7/19	INDEPENDENT ELECTRIC SUPPLY INC	S104086779.001	Electrical Parts & Supplies	283.06	0.00	283.06	\$607.34
			S104086779.002	Electrical Parts & Supplies	324.28	0.00	324.28	
xxx310790	2/7/19	INSIGHT PUBLIC SECTOR INC	1100643078	Computer Hardware	1,232.63	0.00	1,232.63	\$1,398.95
			1100643336	Hardware Maintenance	166.32	0.00	166.32	
xxx310791	2/7/19	JAVELCO EQUIPMENT SERVICE INC	54807	Miscellaneous Equipment Parts & Supplies	284.66	0.00	284.66	\$284.66
xxx310793	2/7/19	JOBTRAIN	DEC2018	Contracts/Service Agreements	32,177.00	0.00	32,177.00	\$32,177.00
xxx310794	2/7/19	KANOPY INC	146405-PPU	Library Periodicals/Databases	1,484.00	0.00	1,484.00	\$1,484.00
xxx310795	2/7/19	KENNEDY JENKS CONSULTANTS	127600	HazMat Disposal - Hazardous Waste Disposal	2,709.10	0.00	2,709.10	\$2,709.10
xxx310796	2/7/19	L N CURTIS & SONS INC	CM14395	Clothing, Uniforms & Access	-716.13	0.00	-716.13	\$12,457.61
			INV237750	Clothing, Uniforms & Access	817.50	0.00	817.50	
			INV239056	Clothing, Uniforms & Access	408.75	0.00	408.75	
			INV241218	Supplies, Fire Protection	1,723.29	0.00	1,723.29	
			INV248040	Supplies, Fire Protection	127.53	0.00	127.53	
			INV248835	Clothing, Uniforms & Access	7,380.39	0.00	7,380.39	
			INV249317	Clothing, Uniforms & Access	256.15	0.00	256.15	
			INV250333	Clothing, Uniforms & Access	2,460.13	0.00	2,460.13	
xxx310797	2/7/19	MANSFIELD OIL CO	319118	Inventory Purchase	17,691.33	0.00	17,691.33	\$17,691.33
xxx310798	2/7/19	MCMaster CARR SUPPLY CO	84667052	Miscellaneous Equipment Parts & Supplies	39.08	0.00	39.08	\$80.65
			84740915	Miscellaneous Equipment Parts & Supplies	41.57	0.00	41.57	
xxx310799	2/7/19	MIDWEST TAPE	96894155	Library Acquis, Audio/Visual	767.64	0.00	767.64	\$896.98
			96894157	Library Acquis, Audio/Visual	92.59	0.00	92.59	
			96894340	Library Acquis, Audio/Visual	12.25	0.00	12.25	
			96894359	Library Acquis, Audio/Visual	24.50	0.00	24.50	
xxx310800	2/7/19	MOUNTAIN VIEW GARDEN CENTER	97504	Materials - Land Improve	49.60	0.00	49.60	\$531.28

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			97665	Materials - Land Improve	148.79	0.00	148.79	
			97688	Materials - Land Improve	247.98	0.00	247.98	
			97711	Materials - Land Improve	84.91	0.00	84.91	
xxx310801	2/7/19	MUNICIPAL PLAN CHECK SERVICES, INC.	1076	Consultants	40,582.50	0.00	40,582.50	\$40,582.50
xxx310802	2/7/19	MUSSON THEATRICAL INC	00434098	General Supplies	379.32	0.00	379.32	\$379.32
xxx310803	2/7/19	NATIONAL CONSTRUCTION RENTALS INC	5259415	Equipment Rental/Lease	235.40	0.00	235.40	\$366.30
			5259416	Equipment Rental/Lease	130.90	0.00	130.90	
xxx310804	2/7/19	NORTH STATE ENVIRONMENTAL	050642	HazMat Disposal - Hazardous Waste Disposal	1,100.00	0.00	1,100.00	\$1,100.00
xxx310805	2/7/19	NORTHERN CALIFORNIA NURSING ACADEMY LLC	0028	DED Services/Training - Training	600.00	0.00	600.00	\$600.00
xxx310806	2/7/19	OVERDRIVE INC	910CO19000880	Library Periodicals/Databases	7,313.00	0.00	7,313.00	\$301.00
			910CO1900880R	Library Periodicals/Databases	-7,313.00	0.00	-7,313.00	
			910CO1900965R	Library Periodicals/Databases	-3,441.96	0.00	-3,441.96	
			910CO19009965	Library Periodicals/Databases	3,441.96	0.00	3,441.96	
			910DA19017408	Library Periodicals/Databases	73.00	0.00	73.00	
			MR-0025172	Library Periodicals/Databases	228.00	0.00	228.00	
xxx310807	2/7/19	P&R PAPER SUPPLY CO INC	30236463-00	Inventory Purchase	3,042.41	0.00	3,042.41	\$4,415.26
			30236710-00	Inventory Purchase	1,372.85	0.00	1,372.85	
xxx310808	2/7/19	PRN ERGONOMIC SERVICES	000140	Occupational Health and Safety Services - Other	210.00	0.00	210.00	\$210.00
xxx310809	2/7/19	PACIFIC COAST TRANE CONTROLS	S94663	Facilities Maintenance & Repair Labor	630.00	0.00	630.00	\$630.00
xxx310810	2/7/19	PACIFIC WEST SECURITY INC	16168	Facilities Maintenance & Repair Labor	205.00	0.00	205.00	\$205.00
xxx310811	2/7/19	PAN ASIAN PUBLICATIONS INC	U-15897	Library Acquis, Audio/Visual	1,581.54	0.00	1,581.54	\$1,581.54
xxx310812	2/7/19	PETERSON POWER SYSTEMS INC	R3224416	Equipment Rental/Lease	8,569.14	0.00	8,569.14	\$8,569.14
xxx310813	2/7/19	QUALITY TRAFFIC DATA LLC	2018265-1	Consultants	1,500.00	0.00	1,500.00	\$1,500.00
xxx310814	2/7/19	R E P NUT N BOLT GUY	30192	Inventory Purchase	438.02	0.00	438.02	\$732.97
			30195	Inventory Purchase	294.95	0.00	294.95	
xxx310815	2/7/19	R. E. BORMANN'S STEEL CO	15605	Materials - Land Improve	446.95	0.00	446.95	\$446.95
xxx310816	2/7/19	RFI ENTERPRISES INC	583149	Facilities Maintenance & Repair Labor	1,305.25	0.00	1,305.25	\$1,305.25
xxx310817	2/7/19	RAYVERN LIGHTING SUPPLY CO INC	60126-0	Inventory Purchase	638.63	0.00	638.63	\$638.63
xxx310818	2/7/19	REGISTRAR OF VOTERS	NV18-023	Election Services	257,805.00	0.00	257,805.00	\$257,805.00

List of All Claims and Bills Approved for Payment

For Payments Dated 2/3/2019 through 2/9/2019

Sorted by Payment Number

Payment No.	Payment Date	Vendor Name	Invoice No.	Description	Invoice Amount	Discount Taken	Amount Paid	Payment Total
xxx310819	2/7/19	ROBERTSON INDUSTRIES INC	PJI008463	Materials - Land Improve	2,720.00	0.00	2,720.00	\$2,720.00
xxx310820	2/7/19	ROGER D HIGDON	2017-15306X	Consultants	594.44	0.00	594.44	\$594.44
xxx310821	2/7/19	S & L FENCE CO	03808	Facilities Maint & Repair - Labor	585.00	0.00	585.00	\$952.56
			03808	Facilities Maint & Repair - Materials	367.56	0.00	367.56	
xxx310822	2/7/19	SCC CONTROLLER TREASURER DPT	936DUANE	Taxes & Licenses	164.43	0.00	164.43	\$164.43
			18/19					
xxx310823	2/7/19	SAFEWAY INC	431679-012319	Food Products	10.99	0.00	10.99	\$10.99
			803725-012819	Food Products	16.95	0.00	16.95	
			807325-012819R	Food Products	-16.95	0.00	-16.95	
xxx310824	2/7/19	SANTA CLARA COUNTY DIVISION OF ANIMAL	070118-123118	Contracts/Service Agreements	2,000.00	0.00	2,000.00	\$2,000.00
xxx310825	2/7/19	SHRED-IT USA	8126309397	Records Related Services	116.52	0.00	116.52	\$116.52
xxx310826	2/7/19	STONE PINE CHARITIES HOUSING CORP	LOANDRAW#5	Customer Loans Disbursed	9,113.00	0.00	9,113.00	\$9,113.00
xxx310827	2/7/19	SUBURBAN PROPANE	28788	Fuel, Oil & Lubricants	341.44	0.00	341.44	\$341.44
xxx310828	2/7/19	TRISTAR RISK MANAGEMENT	95866	Workers' Compensation - Administration	1,532.92	0.00	1,532.92	\$1,532.92
xxx310829	2/7/19	TARGET SPECIALTY PRODUCTS INC	PI0825308	Materials - Land Improve	436.00	0.00	436.00	\$1,953.90
			PI0921412	Materials - Land Improve	1,953.90	0.00	1,953.90	
			PSCM026314	Materials - Land Improve	-436.00	0.00	-436.00	
xxx310830	2/7/19	TIERNEY AND COMPANY	DAZA	Facilities Maint & Repair	100.00	0.00	100.00	\$100.00
			MTNCE#041					
xxx310831	2/7/19	TINT OF CLASS	191280	Facilities Maint & Repair - Labor	345.00	0.00	345.00	\$1,096.00
			191280	Facilities Maint & Repair - Materials	336.00	0.00	336.00	
			191311	Facilities Maint & Repair - Labor	275.00	0.00	275.00	
			191311	Facilities Maint & Repair - Materials	140.00	0.00	140.00	
xxx310832	2/7/19	TORO CO	192608671	Materials - Land Improve	805.10	0.00	805.10	\$805.10
xxx310833	2/7/19	TUCKER CONSTRUCTION INC	27372	Advertising Services	556.66	0.00	556.66	\$556.66
xxx310834	2/7/19	TURF & INDUSTRIAL EQUIPMENT CO	IV28908	Inventory Purchase	463.25	0.00	463.25	\$463.25
xxx310835	2/7/19	US HEALTHWORKS MEDICAL GROUP PC	3457563-CA	Pre-Employment Testing	680.00	0.00	680.00	\$780.00
			3460498-CA	Pre-Employment Testing	100.00	0.00	100.00	
xxx310836	2/7/19	UNIQUE MANAGEMENT SERVICES INC	494720	Financial Services	214.80	0.00	214.80	\$214.80
xxx310837	2/7/19	UNITED RENTALS	164474904-003	Construction Services	-660.00	0.00	-660.00	\$7,662.68
			165124417-001	Supplies, Safety	7,760.80	0.00	7,760.80	

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For Payments Dated 2/3/2019 through 2/9/2019

Sorted by Payment Number

Payment No.	Payment Date	Vendor Name	Invoice No.	Description	Invoice Amount	Discount Taken	Amount Paid	Payment Total
			165397791-001	Equipment Rental/Lease	561.88	0.00	561.88	
xxx310838	2/7/19	UNITED SITE SERVICES INC	114-7973643	Equipment Rental/Lease	233.71	0.00	233.71	\$233.71
xxx310839	2/7/19	UNITY COURIER SERVICE INC	438231	General Supplies	43.35	0.00	43.35	\$846.35
			439109	Contracts/Service Agreements	803.00	0.00	803.00	
xxx310840	2/7/19	UNIVAR USA INC	SJ923072	Chemicals	3,389.38	0.00	3,389.38	\$6,554.99
			SJ923514	Chemicals	3,165.61	0.00	3,165.61	
xxx310841	2/7/19	UNIVERSITY OF CALIFORNIA SANTA CRUZ	58374	DED Services/Training - Training	3,672.00	0.00	3,672.00	\$83,205.00
			58376	DED Services/Training - Training	2,745.00	0.00	2,745.00	
			58378	DED Services/Training - Training	3,222.00	0.00	3,222.00	
			58380	DED Services/Training - Training	2,970.00	0.00	2,970.00	
			58382	DED Services/Training - Training	2,754.00	0.00	2,754.00	
			58384	DED Services/Training - Training	4,914.00	0.00	4,914.00	
			58386	DED Services/Training - Training	4,950.00	0.00	4,950.00	
			58388	DED Services/Training - Training	3,496.50	0.00	3,496.50	
			58390	DED Services/Training - Training	5,031.00	0.00	5,031.00	
			58392	DED Services/Training - Training	4,527.00	0.00	4,527.00	
			58394	DED Services/Training - Training	3,321.00	0.00	3,321.00	
			58396	DED Services/Training - Training	4,752.00	0.00	4,752.00	
			58398	DED Services/Training - Training	4,743.00	0.00	4,743.00	
			58400	DED Services/Training - Training	4,815.00	0.00	4,815.00	
			58402	DED Services/Training - Training	2,943.00	0.00	2,943.00	
			58404	DED Services/Training - Training	5,157.00	0.00	5,157.00	
			58406	DED Services/Training - Training	3,240.00	0.00	3,240.00	
			58410	DED Services/Training - Training	5,175.00	0.00	5,175.00	
			58412	DED Services/Training - Training	5,377.50	0.00	5,377.50	
			58414	DED Services/Training - Training	5,400.00	0.00	5,400.00	
xxx310843	2/7/19	VWR INTERNATIONAL LLC	8084697255	General Supplies	573.78	0.00	573.78	\$6,446.37
			8084705704	General Supplies	547.12	0.00	547.12	
			8084714579	General Supplies	509.47	0.00	509.47	
			8084728562	General Supplies	151.42	0.00	151.42	
			8084734016	General Supplies	74.99	0.00	74.99	

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			8084746749	General Supplies	187.57	0.00	187.57	
			8084762439	General Supplies	361.97	0.00	361.97	
			8084788212	General Supplies	146.50	0.00	146.50	
			8084798521	General Supplies	611.59	0.00	611.59	
			8084798522	General Supplies	369.52	0.00	369.52	
			8084840484	General Supplies	15.02	0.00	15.02	
			8084842862	General Supplies	192.85	0.00	192.85	
			8084877653	General Supplies	26.31	0.00	26.31	
			8084877654	General Supplies	183.43	0.00	183.43	
			8084897261	General Supplies	396.52	0.00	396.52	
			8084906593	General Supplies	579.55	0.00	579.55	
			8084909815	General Supplies	19.83	0.00	19.83	
			8084925752	General Supplies	128.62	0.00	128.62	
			8084925753	General Supplies	22.75	0.00	22.75	
			8084944216	General Supplies	21.47	0.00	21.47	
			8084951699	General Supplies	195.96	0.00	195.96	
			8084955630	General Supplies	39.31	0.00	39.31	
			8084964691	General Supplies	267.21	0.00	267.21	
			8084979483	General Supplies	405.46	0.00	405.46	
			8085008422	General Supplies	235.14	0.00	235.14	
			8085008424	General Supplies	140.17	0.00	140.17	
			8085022908	General Supplies	42.84	0.00	42.84	
xxx310846	2/7/19	WECK LABORATORIES INC	W9A0767	Water Lab Services	463.67	0.00	463.67	\$463.67
xxx310847	2/7/19	WECO INDUSTRIES LLC	0042546-IN	Misc Equip Maint & Repair - Materials	915.42	0.00	915.42	\$915.42
xxx310848	2/7/19	WESTERN STATES TOOL & SUPPLY CORP	142091	Inventory Purchase	563.53	0.00	563.53	\$563.53
xxx310849	2/7/19	WINSUPPLY OF SILICON VALLEY	696469 01	Miscellaneous Equipment Parts & Supplies	655.22	0.00	655.22	\$1,979.36
			697569 00	Materials - Land Improve	647.36	0.00	647.36	
			698193 01	Bldg Maint Matls & Supplies	676.78	0.00	676.78	
xxx310850	2/7/19	GRAINGER	9020588993	Supplies, Safety	24.44	0.00	24.44	\$32,610.48
			9020730892	Miscellaneous Equipment Parts & Supplies	516.23	0.00	516.23	
			9021862447	Bldg Maint Matls & Supplies	143.56	0.00	143.56	

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For Payments Dated 2/3/2019 through 2/9/2019

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			9021988911	Bldg Maint Matls & Supplies	191.35	0.00	191.35	
			9021988929	Bldg Maint Matls & Supplies	232.92	0.00	232.92	
			9021988937	Bldg Maint Matls & Supplies	1,136.00	0.00	1,136.00	
			9022099163	Miscellaneous Equipment	852.79	0.00	852.79	
			9022679998	Bldg Maint Matls & Supplies	15.82	0.00	15.82	
			9023458129	Miscellaneous Equipment Parts & Supplies	104.51	0.00	104.51	
			9023458145	Electrical Parts & Supplies	140.11	0.00	140.11	
			9023465124	Hand Tools	1,098.97	0.00	1,098.97	
			9023465132	Electrical Parts & Supplies	303.10	0.00	303.10	
			9023512495	Hand Tools	32.34	0.00	32.34	
			9023654909	General Supplies	116.15	0.00	116.15	
			9023752414	Electrical Parts & Supplies	1,826.39	0.00	1,826.39	
			9023752422	Electrical Parts & Supplies	56.79	0.00	56.79	
			9024050867	Hand Tools	152.91	0.00	152.91	
			9024070428	Fuel, Oil & Lubricants	126.40	0.00	126.40	
			9024130594	Chemicals	60.39	0.00	60.39	
			9024654601	Parts, Vehicles & Motor Equip	42.89	0.00	42.89	
			9025122194	Hand Tools	31.65	0.00	31.65	
			9026967217	Hand Tools	18.33	0.00	18.33	
			9027502054	Electrical Parts & Supplies	147.10	0.00	147.10	
			9027693036	Parts, Vehicles & Motor Equip	92.15	0.00	92.15	
			9028577667	Electrical Parts & Supplies	129.00	0.00	129.00	
			9028782887	Supplies, Safety	1,097.30	0.00	1,097.30	
			9028782895	Supplies, Safety	219.46	0.00	219.46	
			9028782903	Supplies, Safety	1,097.31	0.00	1,097.31	
			9028924992	Bldg Maint Matls & Supplies	7,706.30	0.00	7,706.30	
			9028950732	Hand Tools	3.42	0.00	3.42	
			9029172583	Bldg Maint Matls & Supplies	107.00	0.00	107.00	
			9029189009	Bldg Maint Matls & Supplies	113.13	0.00	113.13	
			9029202026	Bldg Maint Matls & Supplies	712.47	0.00	712.47	
			9029202034	Bldg Maint Matls & Supplies	157.10	0.00	157.10	

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For Payments Dated 2/3/2019 through 2/9/2019

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			9029216984	Electrical Parts & Supplies	62.70	0.00	62.70	
			9029265486	Bldg Maint Matls & Supplies	168.34	0.00	168.34	
			9029305167	Bldg Maint Matls & Supplies	276.12	0.00	276.12	
			9029314474	Electrical Parts & Supplies	634.73	0.00	634.73	
			9029360980	Bldg Maint Matls & Supplies	198.17	0.00	198.17	
			9029360998	Bldg Maint Matls & Supplies	470.64	0.00	470.64	
			9029361004	Bldg Maint Matls & Supplies	342.04	0.00	342.04	
			9029390854	Supplies, Safety	3,066.17	0.00	3,066.17	
			9030480751	Electrical Parts & Supplies	237.13	0.00	237.13	
			9030643036	Miscellaneous Equipment Parts & Supplies	39.41	0.00	39.41	
			9030680822	Miscellaneous Equipment Parts & Supplies	65.76	0.00	65.76	
			9031635106	Materials - Land Improve	575.11	0.00	575.11	
			9031886352	Bldg Maint Matls & Supplies	2,506.26	0.00	2,506.26	
			9032052384	Electrical Parts & Supplies	1,003.48	0.00	1,003.48	
			9032052392	Chemicals	501.74	0.00	501.74	
			9032127525	Bldg Maint Matls & Supplies	415.29	0.00	415.29	
			9032863657	Supplies, Safety	101.80	0.00	101.80	
			9033891053	Bldg Maint Matls & Supplies	119.02	0.00	119.02	
			9034601071	Supplies, Safety	783.40	0.00	783.40	
			9035413435	Hand Tools	-71.44	0.00	-71.44	
			9036673078	Chemicals	158.87	0.00	158.87	
			9037450674	Miscellaneous Equipment Parts & Supplies	214.77	0.00	214.77	
			9038433786	Miscellaneous Equipment Parts & Supplies	56.54	0.00	56.54	
			9038433794	Miscellaneous Equipment Parts & Supplies	4.04	0.00	4.04	
			9038492378	Miscellaneous Equipment Parts & Supplies	56.57	0.00	56.57	
			9039346425	Supplies, Safety	-238.47	0.00	-238.47	
			9039597241	Clothing, Uniforms & Access	80.69	0.00	80.69	
			9040404288	Bldg Maint Matls & Supplies	-27.60	0.00	-27.60	
			9040555634	Bldg Maint Matls & Supplies	27.60	0.00	27.60	
			9040677743	Bldg Maint Matls & Supplies	1,724.96	0.00	1,724.96	
			9041123416	Miscellaneous Equipment	132.61	0.00	132.61	

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xxx310856	2/7/19	PACIFIC GAS & ELECTRIC CO	9042782715	Miscellaneous Equipment Parts & Supplies	47.39	0.00	47.39	
			9042948506	Clothing, Uniforms & Access	70.86	0.00	70.86	
			03142830050119	Utilities - Electric	13,961.68	0.00	13,961.68	\$18,220.32
			03153947310119	Utilities - Electric	307.47	0.00	307.47	
			03955461530119	Utilities - Electric	1,563.77	0.00	1,563.77	
			03958470700119	Utilities - Electric	2,359.95	0.00	2,359.95	
xxx310857	2/7/19	STATE WATER RESOURCES CONTROL BOARD	53350770050119	Fuel, Oil & Lubricants	27.45	0.00	27.45	
			CAIN T1 EXAM	Membership Fees	50.00	0.00	50.00	\$50.00
xxx310858	2/7/19	GIOVANNA MASON	ME-0121-19	Misc Public Safety Permits & Services	65.00	0.00	65.00	\$65.00
xxx310859	2/7/19	KAMET	119347-48610	Refund Utility Account Credit	1,043.06	0.00	1,043.06	\$1,043.06
xxx310860	2/7/19	PENTIGER CONSTRUCTION	BL064892 18-19	Business License Tax	183.71	0.00	183.71	\$183.71
xxx906494	2/6/19	GEORGE HILLS CO INC		Liability Claims Paid	15,685.90	0.00	15,685.90	\$15,685.90
Grand Total Payment Amount								<u>\$1,379,331.50</u>



City of Sunnyvale

Agenda Item

18-1095

Agenda Date: 2/26/2019

REPORT TO COUNCIL

SUBJECT

Award of a Contract to California Sports Center for Gymnastics Instruction Services (F18-146)

REPORT IN BRIEF

Approval is requested to award a two-year contract to California Sports Center of San Jose for gymnastics instruction services and camp programs offered to the public through the Department of Library and Community Services, with an option to renew for three additional one-year periods, provided pricing and service remain acceptable to the City.

EXISTING POLICY

Pursuant to Chapter 2.08 of the Sunnyvale Municipal Code, contracts for this type of service are awarded pursuant to a Request for Proposals (RFP) best value process, unless otherwise exempt from competitive bidding. Additionally, City Council approval is required for the procurement of goods and/or services exceeding \$100,000 in any one transaction.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

BACKGROUND AND DISCUSSION

In providing recreation services, the City contracts with private firms to teach recreation classes and camps. The revenue generated by these programs are shared between the City and the contracting firm. The City has successfully contracted with California Sports Center to provide gymnastic classes and camps for more than a decade, during which time the contractor has established a strong following. The contractor currently offers over 125 gymnastic classes during each two-month session, while providing instructional camps throughout the year. Enrollment in the gymnastic programs has experienced significant increase over the last few years, corresponding to an increase in revenue generated by the program, which is anticipated to continue during the next few years.

Specifically, in FY 2017/18 total revenue was \$440,623, in FY 2016/17 \$437,445, and FY 2015/16 \$389,558. With the gymnastics sport remaining a highlight of the 2020 Summer Olympics, staff anticipates an increase in participation based on the increased interest in gymnastics that occurred after the 2016 Summer Olympics.

The expectation of a successful gymnastics program requires classes/camps to accommodate

between 2-50 participants, while offering differing times and age-appropriate classes based on skill level. California Sports Center is responsible to provide qualified instructors that plan and conduct the classes while gaining the City's approval for any marketing materials generated. As with all recreational programs offered by the City, the City will handle all registration, provide the equipment and facility space, and coordinate marketing online and in the Activity Guides provided throughout the year.

A Request for Proposals (RFP) was issued on March 7, 2018 and directly distributed to 11 potential proposers. In addition, the RFP was posted on the City's DemandStar public procurement network. On April 5, 2018, only one proposal was received from California Sports Center (CSC).

The CSC proposal provided information demonstrating their qualifications to teach gymnastics, highlighting that it is currently teaching the gymnastics program for the City. In addition, CSC further demonstrated it can meet all City administration requirements. In accordance with Sunnyvale Municipal Code section 2.08.120, the City diligently negotiated with the sole proposer to agree to reasonable pricing that is the best value to the City. Despite the rising cost of living in the Bay Area, the negotiation resulted in retaining the same revenue split for the agreement that the City negotiated in the previous contract. Therefore, staff is recommending an initial two-year contract with the option to extend the contract for three additional one-year periods.

FISCAL IMPACT

Customarily, the City establishes not-to-exceed amounts for the purchase of goods and services. As this is a shared revenue contract with the goal of increasing instructional offerings, a not-to-exceed limit may unnecessarily limit this ability. CSC will be paid 73% of the resident registration fee for all gymnastics classes and 80% for camp program participants, minus any refunds. The remaining 27% and 20% (and non-resident differential), respectively, will be retained by the City to offset administrative costs of providing facilities and equipment, promoting programs, registering participants, contract management and responding to customer service inquiries.

Over the most recent two-year period for which complete data is available, the total fee revenue was \$759,403, with \$547,048 earned by the contractor and \$212,355 retained by the City. Based upon anticipated enrollment, the current contract is valued at \$452,000.

Funding Source

Recreational programs are funded by the General Fund.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

1) Award a two-year contract to California Sports Center to provide gymnastics instruction services, in substantially the same form as Attachment 1 to the report and authorize the City Manager to execute the contract when all necessary conditions have been met, and 2) delegate the authority to the City Manager to renew the contract for three additional one-year periods, if services and pricing

remain acceptable to the City.

Prepared by: Gregory S. Card, Purchasing Officer

Reviewed by: Timothy J. Kirby, Director of Finance

Reviewed by: Cynthia Bojorquez, Director of Library & Community Services

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Draft Services Agreement

**DRAFT SERVICE AGREEMENT BETWEEN CITY OF SUNNYVALE
AND CALIFORNIA SPORTS CENTER TO PROVIDE RECREATIONAL
GYMNASTICS INSTRUCTION SERVICES AND CAMP PROGRAMS**

THIS AGREEMENT, dated _____, is by and between the CITY OF SUNNYVALE, a municipal corporation ("CITY"), and CALIFORNIA SPORTS CENTER ("CONTRACTOR").

WHEREAS, the CITY is in need of recreational gymnastics instruction services; and

WHEREAS, CONTRACTOR has the skill and ability to provide the required services;

NOW, THEREFORE, THE PARTIES ENTER INTO THIS AGREEMENT.

1. Scope of Services

CONTRACTOR shall provide services in accordance with Exhibit "A" attached and incorporated by reference (the "Services"). CONTRACTOR shall determine the method, details and means of performing the services.

2. Time for Performance

The term of this Agreement shall be May 1, 2019 and continuing through April 30, 2021, unless otherwise terminated. CONTRACTOR shall deliver the agreed upon services to CITY as specified in Exhibit "A". Agreement may be extended for an additional three (3) one-year period at the option of CITY.

3. Duties of CITY

CITY shall provide a facility within which CONTRACTOR shall perform the Services, include a listing provided by Contractor for each of CONTRACTOR's classes and camps in each Sunnyvale Community Services Activities Guide published during the term of this Agreement, and provide class and camp registration services.

4. Compensation

CITY agrees to pay CONTRACTOR as full compensation for the services rendered pursuant to this Agreement, the amounts set forth in Exhibit "A".

5. Conflict of Interest

CONTRACTOR shall avoid all conflicts of interest, or appearance of conflict, in performing the services and agrees to immediately notify CITY of any facts that may give rise to a conflict of interest. CONTRACTOR is aware of the prohibition that no officer of

CITY shall have any interest, direct or indirect, in this Agreement or in the proceeds thereof. During the term of this Agreement CONTRACTOR shall not accept employment or an obligation which is inconsistent or incompatible with CONTRACTOR'S obligations under this Agreement.

Pursuant to CITY's Standard Conflict of Interest Code, Council Policy 7.3.7, CITY has determined that any individual performing services under this Agreement is required to file a Statement of Economic Interest (Form 700), Disclosure Category 1. See www.fppc.ca.gov for Form 700.

6. Compliance with Laws

- (a) CONTRACTOR shall not discriminate against any participant, student, employee or applicant for employment under this Agreement because of race, religion, creed, color, gender, age, disability, national origin or any other basis to the extent prohibited by federal, state or local law.
- (b) During the term of this Agreement CONTRACTOR shall comply with all applicable federal, state and local laws and regulations relating to the provision of the Services. CONTRACTOR shall also comply with all City policies, including but not limited to the Library and Community Services Division Contractor Handbook, unless, taking into consideration all of the surrounding facts and circumstances, a policy or policies or a portion of a policy does not reasonably apply to CONTRACTOR. CONTRACTOR shall provide the Services in a manner that complies with the Americans with Disabilities Act (ADA) including but not limited to Title II's program access requirements, and all other applicable federal, state and local disability rights legislation. CONTRACTOR hereby acknowledges and agrees that it accepts all risks and responsibilities for its failure to comply with any law, regulation, or applicable policy and shall indemnify City under the provisions of section 10 (Indemnification) of this Agreement for all liability, loss, damage and expense (including reasonable attorneys' fees) resulting from or arising out of CONTRACTOR's failure to comply with such laws, regulations or policies.

7. Background Checks

Business Entities/Contractors with Employees: CONTRACTOR shall not permit any employee to provide services to CITY under this Agreement until such employee has undergone criminal background screening through the California Department of Justice as provided in Penal Code 11105.3. No person who has been convicted of a violation or attempted violation of any offense specified in Penal Code 11105.3 or Public Resources Code 5164 shall be permitted to provide services to CITY under this Agreement. CONTRACTOR shall provide CITY, upon request, a current list of all employees or other persons acting on CONTRACTOR's behalf. Notwithstanding the restrictions on sharing and destroying criminal background check information, CONTRACTOR, upon demand, shall make available to CITY evidence of a successful criminal background check clearance and

enrollment in subsequent arrest notice service, as provided, for each owner, operator, and employee.

8. Tuberculosis Testing Requirement

CONTRACTOR shall comply with all applicable federal, state, land local regulations, ordinances, policies, and procedures regarding employee health and safety. Contractor shall ensure that no person paid or unpaid by Contractor shall be permitted to provide services requiring contact with children unless CONTRACTOR has complied with the TB testing requirements set forth in Section 5163 of the California Public Resources Code, verifying that the person or persons has provided evidence/verification of a negative TB skin test reading less than 2 (two) years old (if newly hired) or within 4 (four) years (if current employee) of the date of execution of this Agreement. For persons with a positive TB skin test reading, a physician's medical clearance must be obtained prior to services being provided as specified above. CONTRACTOR shall keep on file each "Certificate" of clearance for the persons described above, and shall also make available a copy of each Certificate to City, if requested and allowed by law. "Certificate" means a document signed by a licensed examining physician and surgeon or a notice from a public health agency or unit of the tuberculosis association, which indicates freedom from active tuberculosis.

9. Mandated Abuse Reporting

Contractor shall ensure that no person paid or unpaid by Contractor shall be permitted to provide services requiring contact with children or dependent adults until CONTRACTOR has trained that person on mandated child or dependent adult abuse reporting laws, as applicable, and shall maintain documentation, signed by each staff member receiving such training. CONTRACTOR agrees that its obligations to report incidents of abuse or neglect are in addition to, and not in lieu of, CONTRACTOR's obligation to immediately report suspected abuse or neglect to the appropriate public authorities pursuant to applicable provisions of state law. CONTRACTOR shall maintain confidential records of any report of suspected abuse and shall inform the City in writing within 24 hours of becoming aware of circumstances including, but not limited to allegations of abuse involving an employee, volunteer or agent.

10. Independent Contractor

This Agreement is by and between two independent entities that have an independent contractual relationship. CONTRACTOR shall provide all services under this Agreement as an independent contractor, and neither party shall have the authority to bind or make any commitment on behalf of the other. City does not retain the right to control the means or the method by which Contractor performs work under this Agreement. Nothing contained in this Agreement shall be deemed to create any association, partnership, joint venture or relationship of principal and agent, master and servant, or employer and employee between the City and CONTRACTOR and any of their employees, agents, affiliates or other representatives, or between the City and any individual assigned by CONTRACTOR to perform any services for the City. Contractor or any agent or employee

of Contractor is liable for the acts and omissions of itself, its employees and its agents. Contractor shall be responsible for all obligations and payments, whether imposed by federal, state or local law, including, but not limited to, FICA, income tax withholdings, unemployment compensation, insurance, and other similar responsibilities related to Contractor's performing services and work, or any agent or employee of Contractor providing same.

10. Indemnity

CONTRACTOR shall indemnify, defend, and hold harmless the CITY, its officers, officials, employees and volunteers from and against all claims, including claims related to suspected child abuse, in connection with use of a city facility for Contractor's Services, damages, losses and expenses, including attorney fees, arising out of the performance of the services described in Exhibit "A", caused in whole or in part by any negligent act or omission of CONTRACTOR, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, except where caused by the active negligence, sole negligence or willful misconduct of the CITY.

11. Insurance

CONTRACTOR shall take out and maintain during the life of this Agreement policies of insurance as specified in Exhibit "B" attached and incorporated by reference, and shall provide all certificates or endorsements as specified in Exhibit "B."

12. CITY Representative

Nancy Grove, as City Manager's authorized representative, shall represent CITY in all matters pertaining to the services to be rendered under this Agreement. All requirements of CITY pertaining to the services and materials to be rendered under this Agreement shall be coordinated through the CITY representative.

13. CONTRACTOR Representative

Dave Peterson shall represent CONTRACTOR in all matters pertaining to the services and materials to be rendered under this Agreement. All requirements of CONTRACTOR pertaining to the services to be rendered under this Agreement shall be coordinated through the CONTRACTOR representative.

14. Notices

All notices required by this Agreement, other than invoices for payment which shall be sent directly to Accounts Payable, shall be in writing, and sent by first class with postage prepaid, or sent by commercial courier, to address below.

Nothing in this provision shall be construed to prohibit communication by more expedient means, such as by email or fax, to accomplish timely communication. Each party

may change the address by written notice in accordance with this paragraph. Notices delivered personally shall be deemed communicated as of actual receipt; mailed notices shall be deemed communicated as of three business days after mailing.

To CITY: Nancy Grove
Department of Library and Community Services
CITY OF SUNNYVALE
P. O. Box 3707
Sunnyvale, CA 94088-3707

To CONTRACTOR: Dave Peterson
California Sports Center
838 Malone Road
San Jose, CA 95125

15. Assignment and Subcontracting

Neither party shall assign or subcontract any portion of this Agreement without the prior written consent of the other party.

16. Termination

- A. If CONTRACTOR defaults in the performance of this Agreement, or materially breaches any of its provisions, CITY at its option may terminate this Agreement by giving written notice to CONTRACTOR. In the event of such termination, CONTRACTOR shall be compensated in proportion to the percentage of satisfactory services performed or materials furnished (in relation to the total which would have been performed or furnished) through the date of receipt of notification from CITY to terminate. CONTRACTOR shall present CITY with any work product completed at that point in time.
- B. Without limitation to such rights or remedies as CITY shall otherwise have by law, CITY also shall have the right to terminate this Agreement for any reason upon ten (10) days' written notice to CONTRACTOR. In the event of such termination, CONTRACTOR shall be compensated in proportion to the percentage of services performed or materials furnished (in relation to the total which would have been performed or furnished) through the date of receipt of notification from CITY to terminate. CONTRACTOR shall present CITY with any work product completed at that point in time.
- C. If CITY fails to pay CONTRACTOR, CONTRACTOR at its option may terminate this Agreement if the failure is not remedied by CITY within (30) days after written notification of failure to pay.

17. Entire Agreement; Amendment

This writing constitutes the entire agreement between the parties relating to the services to be performed or materials to be furnished hereunder. No modification of this Agreement shall be effective unless and until such modification is evidenced in writing signed by all parties.

18. Miscellaneous

- A. Time shall be of the essence in this Agreement. Failure on the part of either party to enforce any provision of this Agreement shall not be construed as a waiver of the right to compel enforcement of such provision or any other provision.
- B. This Agreement shall be governed and construed in accordance with the laws of the State of California. Venue shall be Santa Clara County, California.
- C. Audit and Inspection of Records. Contractor agrees to maintain and make available to the City, during regular business hours, accurate books and accounting records relating to its Services. Contractor will permit City to audit, examine and make excerpts and transcripts from such books and records, and to make audits of all invoices, materials, payrolls, records or personnel and other data related to all other matters covered by this Agreement, whether funded in whole or in part under this Agreement. Contractor shall maintain such data and records in an accessible location and condition for a period of not fewer than five years after final payment under this Agreement or until after final audit has been resolved, whichever is later.

IN WITNESS WHEREOF, the parties have executed this Agreement.

ATTEST:

CITY OF SUNNYVALE ("CITY")

By _____
City Clerk

By _____
City Manager

APPROVED AS TO FORM:

CALIFORNIA SPORTS CENTER
("CONTRACTOR")

By _____
City Attorney

By _____

Name and Title

By _____

Name and Title

EXHIBIT "A"

SCOPE OF WORK

CONTRACTOR shall:

- Provide recreational gymnastics instruction services at City's Indoor Sports Center Mezzanine, Beam/Bar and Preschool Room, 550 East Remington Drive, as required by CITY.
- Comply with the requirements of CITY's Handbook for Independent Contract Instructors, dated 6/30/2011 and/or as amended, throughout the term of this Agreement.
- Use CITY's facilities only during allotted class time and for pre-approved staff training, meetings and classroom maintenance. Additional use of CITY's facilities, if any, shall be on a rental basis, according to CITY's current Facility Rental Rate Schedule.
- Not solicit business in class nor use the class roster or other information obtained in class to create a mailing list or for any other business purpose.
- Be compensated at the rate of 73% of the resident rate per registered student minus any refunds.
- Receive payment no later than end of the session.

CITY shall:

- Provide program listings in seasonal activity guides and City website.
- Provide opportunities to highlight gymnastics programs at least once a year in "Community Connect" online newsletter and other City social media sites.
- Submit facility work orders as reported to address repairs, safety issues, and janitorial needs.
- Provide on-going janitorial maintenance which will include:
 - Vacuuming the mezzanine, pre-school room and bar room once a week.
 - Vacuuming under mats every 3-6 months. California Sport Center staff will be responsible for removing mats.
 - Carpet steam cleaning in bar room, mezzanine and pre-school room once annually during winter closure.
- Initiate payment after completion of the first two weeks of each session

Traditional Structured Camp Programs:

CONTRACTOR may offer traditional structured camp programs and be compensated at the rate of 80%. Camp programs shall only be offered the 2nd week of Holiday Recess or around the New Year, Winter Recess (February Break) and Spring Recess (April

Break) pending no conflicts with facility closures. Payment shall be initiated after the completion of the camp.

EXHIBIT B

INSURANCE REQUIREMENTS FOR CONTRACTORS

Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work by the Consultant, his agents, representatives, or employees.

Minimum Scope and Limits of Insurance. Consultant shall maintain limits no less than:

1. **Commercial General Liability:** \$3,000,000 per occurrence and \$6,000,000 aggregate for bodily injury, personal injury and property damage. ISO Occurrence Form CG 0001 or equivalent is required.
2. **Automobile Liability:** \$1,000,000 per accident for bodily injury and property damage. ISO Form CA 0001 or equivalent is required.
3. **Workers' Compensation** Statutory Limits and **Employer's Liability:** \$1,000,000 per accident for bodily injury or disease.

Industry Specific Coverages. If checked below, the following insurance is also required:

- ☐ Professional Liability Insurance / Errors and Omissions Liability in the minimum amount of \$1,000,000 per occurrence.
- ☒ If working directly with children, the Certificate of Insurance must include coverage for molestation and sexual abuse in the minimum amount of \$1,000,000 per occurrence and \$2,000,000 aggregate. In the event that Abuse & Molestation Liability coverage is provided via a Claims Made Policy, the coverage shall include a minimum of a five year extended reporting clause.
- ☐ Pollution Liability Insurance in the minimum amount of \$1,000,000 per occurrence
- ☐ MCS-90 Endorsement to Business Automobile insurance for transportation of hazardous materials and pollutants
- ☐ Builder's Risk / Course of Construction Insurance in the minimum amount of \$_____.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared and approved by the City of Sunnyvale. The consultant shall guarantee payment of any losses and related investigations, claim administration and defense expenses within the deductible or self-insured retention.

Other Insurance Provisions

The **general liability** and automobile liability policies (and if applicable, pollution liability, sexual abuse and molestation, and builder's risk policies) shall contain, or be endorsed to contain, the following provisions:

1. The City of Sunnyvale, its officials, employees, agents and volunteers are to be covered as additional insureds with respects to liability arising out of activities performed by or on behalf of the Consultant; products and completed operations of the Consultant; premises owned, occupied or used by the Consultant; or automobiles owned, leased, hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the City of Sunnyvale, its officers, employees, agents or volunteers.
2. For any claims related to this project, the Consultant's insurance shall be primary. Any insurance or self-insurance maintained by the City of Sunnyvale, its officers, officials, employees, agents and volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
3. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the City of Sunnyvale, its officers, officials, employees, agents or volunteers.
4. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
5. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, cancelled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City of Sunnyvale.
6. The policy limits of coverage shall be made available to the full limits of the policy. The minimum limits stated above shall not serve to reduce the CONSULTANT'S policy limits of coverage. Therefore, the requirements for coverage and limits shall be (1) the minimum coverage and limits specified in this agreement, or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured, whichever is greater.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of not less than A:VII, unless otherwise acceptable to the City of Sunnyvale.

Verification of Coverage

Consultant shall furnish the City of Sunnyvale with original a Certificate of Insurance effecting the coverage required. The certificates are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates are to be received and approved by the City of Sunnyvale prior to commencement of work.

Subcontractors

CONSULTANT shall require all subcontractors to procure and maintain insurance policies subject to the requirements of this agreement. Failure of CONSULTANT to verify existence of sub-contractor's insurance shall not relieve CONSULTANT from any claim arising from sub-contractors work on behalf of CONSULTANT.



City of Sunnyvale

Agenda Item

18-1132

Agenda Date: 2/26/2019

REPORT TO COUNCIL

SUBJECT

Award of Bid No. PW19-01 to Ray's Electric for Traffic Signal Reconstruction at Mathilda Avenue and Indio Way Project, Finding of California Environmental Quality Act (CEQA) Categorical Exemption, and Approval of Budget Modification No. 18 in the Amount of \$270,000

REPORT IN BRIEF

Approval is requested to award a construction contract in the amount of \$1,169,417 to Ray's Electric of Oakland for the Traffic Signal Reconstruction at Mathilda Avenue and Indio Way Project (Public Works Project No. TR-16-01) and for a 10% construction contingency in the amount of \$116,942. Approval is also requested for Budget Modification No. 18 in the amount of \$270,000.

EXISTING POLICY

Section 1309 of the City Charter requires public works construction contracts to be awarded to the lowest responsive and responsible bidder.

Pursuant to Section 2.09.040 of the Sunnyvale Municipal Code, City Council approval is required for public works contracts exceeding \$100,000 in any one transaction.

Pursuant to Sunnyvale Charter Section 1305, at any meeting after the adoption of the budget, the City Council may amend or supplement the budget by a motion adopted by affirmative votes of at least four members to authorize the transfer of unused balances appropriated for one purpose to another, or to appropriate available revenue not included in the budget.

ENVIRONMENTAL REVIEW

The California Environment Quality Act (CEQA) determination for the project is a categorical exemption pursuant to CEQA Guidelines Section 15301(c), for the restoring and rehabilitating of existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities, involving negligible or no expansion of use beyond which presently exists.

BACKGROUND AND DISCUSSION

This project (Capital Project 832100) will consist of traffic signal and street lighting modifications and other hardscape improvements at the intersection of Mathilda Avenue and Indio Way. The work to be performed includes renovation of traffic signal equipment, including traffic signal poles, foundations, cabinet, conduit and cables, removal of the existing pork chop channelizing traffic islands and rebuilding the adjacent intersection corners (including new accessible curb ramps) to shorten the distance for pedestrians crossing the street.

The project was initiated after an analysis of citywide collision data which identified a heavy concentration of collisions, including a fatality, at the intersection of Mathilda Avenue and Indio Way.

The implementation of improvements at this intersection are anticipated to reduce future collisions at this location.

The project was advertised for competitive bidding on the City's DemandStar public procurement network and distributed to the Bay Area Builder's Exchange on October 19, 2018, with 15 contractors requesting bid documents. Sealed bids were opened on November 28, 2018, with three bids received (see Attachment 1 - Bid Summary). The lowest responsive and responsible bid was submitted by Ray's Electric in the amount of \$1,169,417.

FISCAL IMPACT

Project costs include the base bid of \$1,169,417 and a recommended 10% contingency in the amount of \$116,942, for a total of \$1,286,359. The majority of the funding is from grants and is available in Capital Project 832100 (Intersection of Mathilda and Indio Way). Budget Modification No. 18 has been prepared to appropriate \$270,000 from the Capital Project Funds/Traffic Impact Fees Sub-Fund Reserve to cover the portion of the project costs not yet budgeted.

Budget Modification No. 18 FY 2018/19

	Current	Increase/ (Decrease)	Revised
Capital Projects Fund – General Assets Sub-Fund			
<u>Transfers</u>			
Transfer from the Transportation Impact Fees Sub-Fund	\$503,000	\$270,000	\$773,000
<u>Expenditures</u>			
Project 832100 – Intersection of Mathilda Ave & Indio Way	\$1,089,275	\$270,000	\$1,359,275
Capital Projects Fund – Transportation Impact Fees Sub-Fund			
<u>Transfers</u>			
Transfer to the Capital Projects Fund – General	\$503,000	\$270,000	\$773,000

Transfer to the Capital Projects Fund – General Assets Sub-Fund	\$503,000	\$270,000	\$773,000
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Reserves

Transportation Impact Fees Sub-Fund	\$23,262,689	(\$270,000)	\$22,992,689
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PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

Take the following actions:

- Make a finding of a California Environmental Quality Act (CEQA) categorical exemption pursuant to CEQA Guidelines Section 15301(c);
- Award a contract in substantially the same form as Attachment 2 to the report in the amount of \$1,169,417 to Ray's Electric of Oakland for the Traffic Signal Reconstruction at Mathilda Avenue and Indio Way Project;
- Authorize the City Manager to execute the contract when all necessary conditions have been met;
- Approve a 10% construction contingency in the amount of \$116,942; and
- Approve Budget Modification No. 18 in the amount of \$270,000.

Prepared by: Gregory S. Card, Purchasing Officer
Reviewed by: Timothy J. Kirby, Director of Finance
Reviewed by: Chip Taylor, Director of Public Works
Reviewed by: Teri Silva, Assistant City Manager
Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Bid Summary
2. Draft General Construction Contract

Invitation for Bids No. PW19-01**Traffic Signal Reconstruction Mathilda Avenue and Indio Way****PUBLIC WORKS PROJECT NO. TR-16-01****Federal Aid # HSIPL-5213(056)**

BASE BID				Ray's Electric		Redgwick Construction Co.		Golden Bay Construction, Inc.	
1	MOBILIZATION	1	LS	Unit Cost	Extended Cost	Unit Cost	Extended Cost	Unit Cost	Extended Cost
2	CONSTRUCTION STAKING	1	LS		\$ 50,000.00		\$ 55,000.00		\$ 133,420.00
3	CONSTRUCTION AREA SIGNS	1	LS		\$ 7,500.00		\$ 3,000.00		\$ 4,800.00
4	TRAFFIC CONTROL SYSTEM	1	LS		\$ 6,000.00		\$ 4,000.00		\$ 2,000.00
5	ROADWAY EXCAVATION	393	CY		\$ 50,000.00		\$ 131,412.00		\$ 155,569.00
6	FINISHED GRADING	16,900	SF	\$ 180.00	\$ 70,740.00	\$ 90.00	\$ 35,370.00	\$ 225.00	\$ 88,425.00
7	REMOVE CONCRETE CURB & GUTTER	870	LF	\$ 3.50	\$ 59,150.00	\$ 3.50	\$ 59,150.00	\$ 1.00	\$ 16,900.00
8	REMOVE CONCRETE CURB	361	LF	\$ 15.00	\$ 13,050.00	\$ 18.00	\$ 15,660.00	\$ 15.00	\$ 13,050.00
9	REMOVE CONCRETE SIDEWALK/ISLAND	5,274	SF	\$ 12.00	\$ 4,332.00	\$ 25.00	\$ 9,025.00	\$ 6.00	\$ 2,166.00
10	REMOVE EXISTING STORM DRAIN INLET	1	EA	\$ 5.00	\$ 26,370.00	\$ 4.00	\$ 21,096.00	\$ 5.00	\$ 26,370.00
11	CONVERT STORM DRAIN INLET TO JUNCTION	1	EA	\$ 2,500.00	\$ 2,500.00	\$ 2,000.00	\$ 2,000.00	\$ 1,000.00	\$ 1,000.00
12	REMOVE EXISTING STORM DRAIN	1	EA	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ 2,500.00	\$ 2,500.00
13	ADJUST SANITARY SEWER MANHOLE COVER TO FINISH GRADE	12	LF	\$ 200.00	\$ 2,400.00	\$ 130.00	\$ 1,560.00	\$ 50.00	\$ 600.00
14	ADJUST UTILITY BOX TO GRADE	1	EA	\$ 1,960.00	\$ 1,960.00	\$ 950.00	\$ 950.00	\$ 1,000.00	\$ 1,000.00
15	ADJUST UTILITY VAULT TO GRADE	10	EA	\$ 1,200.00	\$ 12,000.00	\$ 250.00	\$ 2,500.00	\$ 300.00	\$ 3,000.00
16	ADJUST COMMUNICATION MANHOLE COVER TO GRADE	4	EA	\$ 1,500.00	\$ 6,000.00	\$ 900.00	\$ 3,600.00	\$ 500.00	\$ 2,000.00
17	TEMPORARY EROSION CONTROL	2	EA	\$ 2,000.00	\$ 4,000.00	\$ 950.00	\$ 1,900.00	\$ 1,000.00	\$ 2,000.00
18	HOT MIX ASPHALT (6" AC)	1	LS		\$ 10,000.00		\$ 3,500.00		\$ 3,000.00
19	7.5" CEMENT SLURRY OVER 6" COMPACTED SUBGRADE	1440	SF	\$ 16.00	\$ 23,040.00	\$ 11.00	\$ 15,840.00	\$ 15.00	\$ 21,600.00
20	INSTALL 5" AC OVER 19.5" CLASS II AB OVER 6" COMPACTED SUBGRADE (TI=8.5, R=5)	34	CY	\$ 560.00	\$ 19,040.00	\$ 400.00	\$ 13,600.00	\$ 400.00	\$ 13,600.00
21	INSTALL 6" VERTICAL CURB & GUTTER	3,253	SF	\$ 15.00	\$ 48,795.00	\$ 14.00	\$ 45,542.00	\$ 20.00	\$ 65,060.00
22	INSTALL STORM DRAIN CATCH BASIN & CONNECT TO EXISTING SD LINE	910	LF	\$ 50.00	\$ 45,500.00	\$ 56.00	\$ 50,960.00	\$ 45.00	\$ 40,950.00
23	INSTALL CONCRETE CURB RAMP	2	EA	\$ 8,750.00	\$ 17,500.00	\$ 5,000.00	\$ 10,000.00	\$ 5,000.00	\$ 10,000.00
24	REPLACE SIDEWALK TO MATCH EXISTING IN KIND	8	EA	\$ 3,500.00	\$ 28,000.00	\$ 3,200.00	\$ 25,600.00	\$ 2,500.00	\$ 20,000.00
25	SLURRY SEALING	25	SF	\$ 30.00	\$ 750.00	\$ 85.00	\$ 2,125.00	\$ 15.00	\$ 375.00
26	TRAFFIC SIGNAL AND LIGHTING SYSTEM MODIFICATION AT MATHILDA/INDIO	46,700	SF	\$ 0.90	\$ 42,030.00	\$ 0.70	\$ 32,690.00	\$ 1.00	\$ 46,700.00
27	SIGNING AND STRIPING	1	LS		\$ 450,000.00		\$ 492,000.00		\$ 599,520.00
28	INSTALL CONCRETE SIDEWALK	1	LS	\$ 62,000.00	\$ 62,000.00	\$ 78,000.00	\$ 78,000.00	\$ 93,000.00	\$ 93,000.00
29	INSTALL THICKENED CONCRETE EDGE FOR SIDEWALK	9210	SF		\$ 92,100.00		\$ 82,890.00		\$ 92,100.00
	BID TOTAL	508	LF		\$ 10,160.00		\$ 11,684.00		\$ 7,620.00
					\$ 1,169,417.00		\$ 1,215,154.00		\$ 1,468,325.00

Surety	10% bond		10% bond		10% bond	
License (Primary Classification)	A, C10		A, C-12		A	
Subcontractors	Name	Work to be Performed	Name	Work to be Performed	Name	Work to be Performed
	Chrisp Company	Signage and striping	American Asphalt	Slurry	Team North	Trucking (partial)
	TDW Construction	Drainage systems	ABSL Construction	Grinding	Sturgeon Electric	Electrical
	Cunha Engineers	Staking	Cen-Cal Construction	Concrete	Compass Engineering	Striping and slurry seal
	Graham Contractors, Inc.	Slurry sealing	Sierra Traffic Markings Inc.	Striping		
	All City Trucking	Trucking and dumping services	Sturgeon Electric California	Electrical		

DRAFT GENERAL CONSTRUCTION CONTRACT

THIS CONTRACT dated _____ is by and between the CITY OF SUNNYVALE, a municipal corporation of the State of California ("Owner") and RAY'S ELECTRIC, a corporation ("Contractor").

RECITALS:

The parties to this Contract have mutually covenanted and agreed, as follows:

1. The Contract Documents. The complete Contract consists of the following documents: Notice Inviting Bids; Instructions to Bidders; Performance Bond and Payment Bond; Guaranty; City of Sunnyvale Standard Specifications for Public Works Construction, 2006 Edition; City of Sunnyvale Standard Details for Public Works Construction, 2006 Edition; Plans and Specifications, "Traffic Signal Reconstruction Mathilda Avenue and Indio Way, Project No. TR-16-01, Invitation for Bids No. PW19-01", including Addenda 1, 2, 3; OSHA, and other standards and codes as outlined in the Specifications. These documents are all incorporated by reference. The documents comprising the complete contract are collectively referred to as the Contract Documents.

Any and all obligations of the Owner and the Contractor are fully set forth and described therein.

All of the above documents are intended to work together so that any work called for in one and not mentioned in the other or vice versa is to be executed the same as if mentioned in all documents.

2. The Work. Contractor agrees to furnish all tools, equipment, apparatus, facilities, labor, transportation, and material necessary to perform and complete the project in a good and workmanlike manner. The work consist(s) of modifying the traffic signal at the intersection of Mathilda Avenue and Indio Way, construct ADA ramps, curb, gutter, sidewalk and drainage improvements, signing and striping improvements, as called for, and in the manner designated in, and in strict conformity with, the Plans and Specifications prepared by TJKM and adopted by the Owner. These Plans and Specifications are entitled respectively, Traffic Signal Reconstruction Mathilda Avenue and Indio Way, Project No. TR-16-01.

It is understood and agreed that the work will be performed and completed as required in the Plans and Specifications under the sole direction and control of the Contractor, and subject to inspection and approval of the Owner, or its representatives. The Owner hereby designates as its representative for the purpose of this contract the Senior Civil Engineer for Construction or an employee of the Owner who will be designated in writing by the Director of Public Works.

3. Contract Price. The Owner agrees to pay and the Contractor agrees to accept, in full payment for the work above agreed to be done, the sum of One Million One Hundred Sixty Nine Thousand Four Hundred Seventeen and No/100 Dollars (\$1,169,417.00) subject to final determination of the work performed and materials furnished at unit prices per "Exhibit A" attached hereto and incorporated by this reference, and subject to additions and deductions in accordance, as provided in the Documents and in accordance with Contract Documents.

4. Permits; Compliance with Law. Contractor shall, at its expense, obtain all necessary permits and licenses, easements, etc., for the construction of the project, give all necessary notices, pay all fees required by law, and comply with all laws, ordinances, rules and regulations relating to the work and to the preservation of the public health and safety.

5. Inspection by Owner. Contractor shall at all times maintain proper facilities and provide safe access for inspection by the Owner to all parts of the work, and to the shops wherein the work is in preparation. Where the Specifications require work to be specially tested or approved, it shall not be tested or covered up without timely notice to the Owner of its readiness for inspection and without the approval thereof or consent thereto by the latter. Should any such work be covered up without such notice, approval, or consent, it must, if required by Owner, be uncovered for examination at the Contractor's expense.

6. Extra or Additional Work and Changes. Should Owner at any time during the progress of the work request any alterations, deviations, additions or omissions from the Specifications or Plans or other Contract Documents it shall be at liberty to do so, and the same shall in no way affect or make void the contract, but will be added to or deducted from the amount of the contract price, as the case may be, by a fair and reasonable valuation, agreed to in writing between the parties hereto. No extra work shall be performed or change be made unless in pursuance of a written order from the Director of Public Works or authorized representative, stating that the extra work or change is authorized and no claim for an addition to the contract sum shall be valid unless so ordered.

7. Time for Completion. All work under this contract shall be completed before the expiration one hundred twenty (120) working days from the date specified in the Notice to Proceed.

If Contractor shall be delayed in the work by the acts or neglect of Owner, or its employees or those under it by contract or otherwise, or by changes ordered in the work, or by strikes, lockouts by others, fire, unusual delay in transportation, unavoidable casualties or any causes beyond the Contractor's control, or by delay authorized by the Owner, or by any cause which the Owner shall decide to justify the delay, then the time of completion shall be extended for such reasonable time as the Owner may decide.

This provision does not exclude the recovery of damages for delay by either party under other provisions.

8. Inspection and Testing of Materials. Contractor shall notify Owner a sufficient time in advance of the manufacture or production of materials, to be supplied under this contract, in order that the Owner may arrange for mill or factory inspection and testing of same, if Owner requests such notice from Contractor.

9. Termination. If Contractor should file a bankruptcy petition and/or be judged bankrupt, or if Contractor should make a general assignment for the benefit of creditors, or if a receiver should be appointed on account of insolvency, or if Contractor or any subcontractors should violate any of the provisions of the Contract, Owner may serve written notice upon Contractor and its surety of Owner's intention to terminate the Contract. The notice shall contain the reasons for such intention to terminate the Contract, and, unless within ten days after serving such notice, such violation shall cease and satisfactory arrangements for correction thereof be made, upon the expiration of the ten days, the Contract shall cease and terminate. In the event of any such termination, Owner shall immediately serve written notice thereof upon the surety and the Contractor, and the surety shall have the right to take over and perform the Contract; provided, however that, if the surety within fifteen days after the serving upon it of notice of termination does not give Owner written notice of its intention to take over and perform the Contract or does not commence performance thereof within thirty days from the date of the serving of such notice, Owner may take over the work and prosecute the same to completion by contract or by any other method it may deem advisable, for the account and at the expense of Contractor, and Contractor and its surety shall be liable to Owner for any excess cost occasioned Owner thereby, and in such event Owner may without liability for so doing take possession of and utilize in completing the work, such materials, appliances, plant and other property belonging to Contractor as may be on the site of the work and necessary therefor.

10. Owner's Right to Withhold Certain Amounts and Make Application Thereof. In addition to the amount which Owner may retain under Paragraph 21 until the final completion and acceptance of all work covered by the Contract, Owner may withhold from payment to Contractor such amount or amounts as in its judgment may be necessary to pay just claims against Contractor or any subcontractors for labor and services rendered and materials furnished in and about the work. Owner may apply such withheld amount or amounts to the payment of such claims in its discretion. In so doing Owner shall be deemed the agent of Contractor and any payment so made by Owner shall be considered as a payment made under the Contract by Owner to the Contractor and Owner shall not be liable to Contractor for any such payment made in good faith. Such payment may be made without prior judicial determination of the claim or claims.

11. Notice and Service Thereof. All notices required pursuant to this Contract shall be communicated in writing, and shall be delivered in person, by commercial courier or by first class or priority

mail delivered by the United States Postal Service. Nothing in this provision shall be construed to prohibit communication by more expedient means, such as by email or fax, to accomplish timely communication. Each party may change the address by written notice in accordance with this paragraph. Notices delivered personally shall be deemed communicated as of actual receipt; mailed notices shall be deemed communicated as of three business days after mailing. All notices sent pursuant to this Contract shall be addressed as follows:

Owner: City of Sunnyvale
Department of Public Works
Construction Contract Administrator
P. O. Box 3707
Sunnyvale, CA 94088-3707

Contractor: Ray's Electric
411 Pendleton Way, Suite B
Oakland, CA 94621

12. Assignment of Contract. Neither the Contract, nor any part thereof, nor moneys due or to become due thereunder may be assigned by Contractor without the prior written approval of Owner.

13. Compliance with Specifications of Materials. Whenever in the Specifications, any material or process is indicated or specified by patent or proprietary name, or by name of manufacturer, such Specifications must be met by Contractor, unless Owner agrees in writing to some other material, process or article offered by Contractor which is equal in all respects to the one specified.

14. Contract Security. Contractor shall furnish a surety bond in an amount at least equal to 100 percent of the contract price as security for the faithful performance of this Contract. Contractor shall also furnish a separate surety bond in an amount at least equal to 100 percent of the contract price as security for the payment of all persons for furnishing materials, provisions, provender, or other supplies, or teams, used in, upon, for or about the performance of the work contracted to be done, or for performing any work or labor thereon of any kind, and for the payment of amounts due under the Unemployment Insurance Code with respect to such work or labor in connection with this Contract, and for the payment of a reasonable attorney's fee to be fixed by the court in case suit is brought upon the bond. Bonds shall be issued by an admitted surety insurer authorized to operate in the state of California.

15. Insurance. Contractor shall not commence work under this Contract until all insurance required under this paragraph has been obtained and such insurance has been approved by the Owner, nor shall Contractor allow any subcontractor to commence work on a subcontract until all similar insurance required of the subcontractor has been so obtained and approved. Contractor shall furnish the Owner with satisfactory proof of the carriage of insurance required, and there shall be a specific contractual liability endorsement extending the Contractor's coverage to include the contractual liability assumed by the Contractor pursuant to this Contract and particularly Paragraph 16 hereof. Any policy of insurance required of the Contractor under this Contract shall also contain an endorsement providing that thirty (30) days' notice must be given in writing to the Owner of any pending change in the limits of liability or of any cancellation or modification of the policy. Insurance carrier shall be California-admitted.

(a) Compensation Insurance and Employer's Liability Insurance. Contractor shall take out and maintain during the life of this Contract Workers' Compensation Insurance and Employer's Liability Insurance for all of employees employed at the site of the project and, in case any work is sublet, Contractor shall require the subcontractor similarly to provide Workers' Compensation Insurance and Employer's Liability Insurance for all of the latter's employees unless such employees are covered by the protection afforded by Contractor.

In signing this Contract, Contractor makes the following certification, required by Section 1861 of the Labor Code:

"I am aware of the provision of Section 3700 of the Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

(b) General and Automobile Liability Insurance. Contractor, at its own cost and expense, shall maintain personal injury liability and property damage insurance for the period covered by the Contract in the amount of Two Million Dollars (\$2,000,000.00) per occurrence and \$4,000,000 annual aggregate combined single limit coverage. Such coverage shall include, but shall not be limited to, protection against claims arising therefrom, and damage to property resulting from activities contemplated under this Contract, use of owned automobiles, products and completed operations, including U, C and X. Such insurance shall be with insurers and under forms of policies satisfactory in all respects to the Owner and shall provide that notice must be given to Owner at least thirty (30) days prior to cancellation or material change. The following endorsements shall be attached to the policy:

Policy shall cover on an "occurrence" basis. Policy must cover personal injuries as well as bodily injuries. Exclusion of contractual liability must be eliminated from personal injury endorsement. Broad form property damage endorsement must be attached. Owner is to be named as an additional insured on any contracts of insurance under this paragraph (b). Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under Subdivision (b) of Section 2782 of the Civil Code. The policies of insurance shall be considered primary insurance before any policies of insurance maintained by Owner.

16. Indemnification and Hold Harmless. Contractor agrees to defend, save, indemnify and hold harmless Owner and all its officers, employees, and agents, against any and all liability, claims, judgments, or demands, including demands arising from injuries or death of persons (Contractor's employees included) and damage to property, arising directly or indirectly out of the obligations herein undertaken or out of the operations conducted by Contractor, save and except claims or litigation arising through the active negligence or willful misconduct of Owner, or of Owner's officials, agents, employees, servants, or independent contractors who are directly responsible to Owner. Contractor shall make good and reimburse Owner for any expenditures, including reasonable attorneys' fees, Owner may make by reason of such claim or litigation, and, if requested by Owner, Contractor shall defend any such suits at the sole cost and expense of Contractor.

17. Hours of Work. Eight hours of labor during any one calendar day and forty hours of labor during any one calendar week shall constitute the maximum hours of service upon all work done hereunder, and it is expressly stipulated that no laborer, worker, or mechanic employed at any time by the Contractor or by any subcontractor or subcontractors under this Contract, upon the work or upon any part of the work contemplated by this Contract, shall be required or permitted to work thereon more than eight hours during any one calendar day and forty hours during any one calendar week, except, as provided by Section 1815 of the Labor Code of the State of California, work performed by employees of contractors in excess of eight hours per day and forty hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. It is further expressly stipulated that for each and every violation of Sections 1811-1815, inclusive, of the Labor Code of the State of California, all the provisions whereof are deemed to be incorporated herein, Contractor shall forfeit, as a penalty to Owner, twenty-five dollars (\$25.00) for each laborer, worker, or mechanic employed in the execution of this Contract by Contractor, or by any subcontractor under this Contract, for each calendar day during which the laborer, worker, or mechanic is required or permitted to work more than eight hours in any one calendar day and forty hours in any one calendar week in violation of the provisions of the Sections of the Labor Code.

Contractor, and each subcontractor, shall, in accordance with California Labor Code Section 1776 or as the same may be later amended, keep accurate payroll records showing the name, address, social security

number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by him or her in connection with work under this agreement. Each payroll record shall contain or be verified by a written declaration under penalty of perjury, in accordance with Labor Code Section 1776(a). Such payroll records shall be made available at all reasonable times at the Contractor's principal office to the persons authorized to inspect such records pursuant to Labor Code Section 1776. A certified copy of all payroll records shall be made available for inspection or furnished upon request to a representative of the Division of Labor Standards Enforcement, and the Division of Apprenticeship Standards of the Department of Industrial Relations, as well as to the Owner's representative. In the event the Contractor or a Subcontractor fails to comply in a timely manner within ten days to a written notice requesting the records, such contractor or subcontractor shall forfeit one hundred dollars (\$100.00) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated, in accordance with Labor Code Section 1776(h).

18. Wage Rates. Pursuant to the Labor Code of the State of California, or any applicable local law, Owner has ascertained the general prevailing rate per diem wages and rates for holidays, and overtime work in the city, for each craft, classification or type of laborer, worker, or mechanic needed to execute this Contract. Owner has adopted, by reference, the general prevailing rate of wages applicable to the work to be done under the Contract, as adopted and published by the Division of Labor Standards Enforcement and Labor Statistics and Research of the State of California, Department of Industrial Relations, to which reference is hereby made for a full and detailed description. A copy of the prevailing wage rates may be reviewed in the office of the Director of Public Works, City of Sunnyvale, 456 West Olive Avenue, Sunnyvale, California. Wage rates can also be obtained through the California Department of Industrial Relations website at: <http://www.dir.ca.gov/OPRL/DPreWageDetermination.htm>

Neither the notice inviting bids nor this Contract shall constitute a representation of fact as to the prevailing wage rates upon which the Contractor or any subcontractor may base any claim against Owner.

It shall be mandatory upon Contractor and upon any subcontractor to pay not less than the specified rates to all laborers, workers, and mechanics employed in the execution of the Contract. It is further expressly stipulated that Contractor shall, as a penalty to Owner, forfeit two hundred dollars (\$200.00) for each calendar day, or portion thereof, for each laborer, worker, or mechanic paid less than the stipulated prevailing rates for any work done under this Contract by Contractor or by any subcontractor; and Contractor agrees to comply with all provisions of Section 1775 of the Labor Code.

In case it becomes necessary for Contractor or any subcontractor to employ on the project under this Contract any person in a trade or occupation (except executives, supervisory, administrative, clerical, or other non-manual workers as such) for which no minimum wage rate is herein specified, Contractor shall immediately notify Owner who will promptly thereafter determine the prevailing rate for such additional trade or occupation and shall furnish Contractor with the minimum rate based thereon. The minimum rate thus furnished shall be applicable as a minimum for such trade or occupation from the time of the initial employment of the person affected and during the continuance of such employment.

19. Accident Prevention. Precaution shall be exercised at all times for the protection of persons (including employees) and property. The safety provisions of applicable laws, building and construction codes shall be observed. Machinery, equipment, and other hazards shall be guarded or eliminated in accordance with the safety provisions of the Construction Safety Orders issued by the Industrial Accident Commission of the State of California.

20. Contractor's Guarantee. Owner shall not, in any way or manner, be answerable or suffer loss, damage, expense or liability for any loss or damage that may happen to the building, work, or equipment or any part thereof, or in, on, or about the same during its construction and before acceptance. Contractor unqualifiedly guarantees the first-class quality of all workmanship and of all materials, apparatus, and equipment used or installed by Contractor or by any subcontractor or supplier in the project which is the subject of this Contract, unless a lesser quality is expressly authorized in the Plans and Specifications, in which event Contractor unqualifiedly guarantees such lesser quality; and that the work as performed by Contractor will conform with the Plans and Specifications or any written authorized deviations therefrom. In

case of any defect in work, materials, apparatus or equipment, whether latent or patent, revealed to Owner within one year of the date of acceptance of completion of this Contract by Owner, Contractor will forthwith remedy such defect or defects without cost to Owner.

21. Liquidated Damages. Time shall be the essence of this Contract. If Contractor fails to complete, within the time fixed for such completion, the entire work mentioned and described and contracted to be done and performed, Contractor shall become liable to Owner for liquidated damages in the sum of one thousand and no/100 (\$1,000.00), for each and every calendar day during which work shall remain uncompleted beyond such time fixed for completion or any lawful extension thereof. The amount specified as liquidated damages is presumed to be the amount of damage sustained by Owner since it would be impracticable or extremely difficult to fix the actual damage; and the amount of liquidated damages may be deducted by Owner from moneys due Contractor hereunder, or its assigns and successors at the time of completion, and Contractor, or its assigns and successors at the time of completion, and its sureties shall be liable to Owner for any excess.

22. Governing Law, Jurisdiction and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to conflict of law or choice of law principles. Proper venue for legal actions will be exclusively vested in a state court in the County of Santa Clara. The parties agree that subject matter and personal jurisdiction are proper in state court in the County of Santa Clara, and waive all venue objections.

23. Severability Clause. In case any one or more of the provisions contained herein shall, for any reason, be held invalid, illegal or unenforceable in any respect, it shall not affect the validity of the other provisions which shall remain in full force and effect.

24. Entire Agreement; Amendment. This writing constitutes the entire agreement between the parties relating to the services to be performed or materials to be furnished hereunder. No modification of this Agreement shall be effective unless and until such modification is evidenced by writing signed by all parties.

25. Execution and Counterparts. This Agreement may be executed in multiple counterparts and/or with the signatures of the Parties set forth on different signature sheets and all such counterparts, when taken together, shall be deemed one original.

IN WITNESS WHEREOF, two identical counterparts of this contract, each of which shall for all purposed be deemed an original thereof, have been duly executed by the parties.

CITY OF SUNNYVALE
a Municipal Corporation, Owner

By _____ / /
City Manager Date

Attest:
City Clerk

By _____ / /
City Clerk Date

(SEAL)

APPROVED AS TO FORM:

_____ / /
City Attorney Date

Contractor

License No. _____

By _____

_____ / /
Title Date

By _____

_____ / /
Title Date

EXHIBIT A

ITEM NO.	ITEM DESCRIPTION	QTY	UOM	LUMP SUM/UNIT COST
1	MOBILIZATION	1	LS*	\$50,000.00
2	CONSTRUCTION STAKING	1	LS*	\$7,500.00
3	CONSTRUCTION AREA SIGNS	1	LS*	\$6,000.00
4	TRAFFIC CONTROL SYSTEM	1	LS*	\$50,000.00
5	ROADWAY EXCAVATION	393	CY	\$70,740.00
6	FINISHED GRADING	16,900	SF	\$59,150.00
7	REMOVE CONCRETE CURB & GUTTER	870	LF	\$13,050.00
8	REMOVE CONCRETE CURB	361	LF	\$4,332.00
9	REMOVE CONCRETE SIDEWALK/ISLAND	5,274	SF	\$26,370.00
10	REMOVE EXISTING STORM DRAIN INLET	1	EA	\$2,500.00
11	CONVERT STORM DRAIN INLET TO JUNCTION	1	EA	\$4,500.00
12	REMOVE EXISTING STORM DRAIN	12	LF	\$2,400.00
13	ADJUST SANITARY SEWER MANHOLE COVER TO FINISH GRADE	1	EA	\$1,960.00
14	ADJUST UTILITY BOX TO GRADE	10	EA	\$12,000.00
15	ADJUST UTILITY VAULT TO GRADE	4	EA	\$6,000.00
16	ADJUST COMMUNICATION MANHOLE COVER TO GRADE	2	EA	\$4,000.00
17	TEMPORARY EROSION CONTROL	1	LS*	\$10,000.00
18	HOT MIX ASPHALT (6" AC)	1440	SF	\$23,040.00
19	7.5" CEMENT SLURRY OVER 6" COMPACTED SUBGRADE	34	CY	\$19,040.00

ITEM NO.	ITEM DESCRIPTION	QTY	UOM	LUMP SUM/UNIT COST
20	INSTALL 5" AC OVER 19.5" CLASS II AB OVER 6" COMPACTED SUBGRADE (TI=8.5, R=5)	3,253	SF	\$48,795.00
21	INSTALL 6" VERTICAL CURB & GUTTER	910	LF	\$45,500.00
22	INSTALL STORM DRAIN CATCH BASIN & CONNECT TO EXISTING SD LINE	2	EA	\$17,500.00
23	INSTALL CONCRETE CURB RAMP	8	EA	\$28,000.00
24	REPLACE SIDEWALK TO MATCH EXISTING IN KIND	25	SF	\$750.00
25	SLURRY SEALING	46,700	SF	\$42,030.00
26	TRAFFIC SIGNAL AND LIGHTING SYSTEM MODIFICATION AT MATHILDA/INDIO	1	LS*	\$450,000.00
27	SIGNING AND STRIPING	1	LS*	\$62,000.00
28	INSTALL CONCRETE SIDEWALK	9210	SF	\$92,100.00
29	INSTALL THICKENED CONCRETE EDGE FOR SIDEWALK	508	LF	\$10,160.00

EXHIBIT B

Utilization of Local Workforce in Construction Projects – The Sunnyvale City Council has adopted a policy which encourages utilization of local workforces, including State-certified apprentices, as a means of supporting economic opportunities for all members of the community. Local workforce is defined as workers residing in Santa Clara County. The lowest responsive and responsible bidder must provide a projection of locally-hired workers utilized for this contract.

Contractor	Projected Number of Locally Hired Workers_____
Subcontractor(s)	Projected Percent of Locally Hired Workers_____ %
	Projected Number of Locally Hired Workers_____
	Projected Percent of Locally Hired Workers_____ %

Required Contract Provisions Federal- Aid Construction Contracts

(FWWA-1273- Revised May 1, 2012)

- I. General
- II. Nondiscrimination
- III. Nonsegregated Facilities
- IV. Davis-Bacon and Related Act Provisions
- V. Contract Work Hours and Safety Standards Act Provisions
- VI. Subletting or Assigning the Contract
- VII. Safety: Accident Prevention
- VIII. False Statements Concerning Highway Projects
- IX. Implementation of Clean Air Act and Federal Water Pollution Control Act
- X. Compliance with Governmentwide Suspension and Debarment Requirements
- XI. Certification Regarding Use of Contract Funds for Lobbying

ATTACHMENTS

A. Employment and Materials Preference for Appalachian Development Highway System or Appalachian Local Access Road Contracts (included in Appalachian contracts only)

I. GENERAL

1. Form FHWA-1273 must be physically incorporated in each construction contract funded under Title 23 (excluding emergency contracts solely intended for debris removal). The contractor (or subcontractor) must insert this form in each subcontract and further require its inclusion in all lower tier subcontracts (excluding purchase orders, rental agreements and other agreements for supplies or services).

The applicable requirements of Form FHWA-1273 are incorporated by reference for work done under any purchase order, rental agreement or agreement for other services. The prime contractor shall be responsible for compliance by any subcontractor, lower-tier subcontractor or service provider.

Form FHWA-1273 must be included in all Federal-aid design-build contracts, in all subcontracts and in lower tier subcontracts (excluding subcontracts for design services, purchase orders, rental agreements and other agreements for supplies or services). The design-builder shall be responsible for compliance by any subcontractor, lower-tier subcontractor or service provider.

Contracting agencies may reference Form FHWA-1273 in bid proposal or request for

proposal documents, however, the Form FHWA-1273 must be physically incorporated (not referenced) in all contracts, subcontracts and lower-tier subcontracts (excluding purchase orders, rental agreements and other agreements for supplies or services related to a construction contract).

2. Subject to the applicability criteria noted in the following sections, these contract provisions shall apply to all work performed on the contract by the contractor's own organization and with the assistance of workers under the contractor's immediate superintendence and to all work performed on the contract by piecework, station work, or by subcontract.

3. A breach of any of the stipulations contained in these Required Contract Provisions may be sufficient grounds for withholding of progress payments, withholding of final payment, termination of the contract, suspension / debarment or any other action determined to be appropriate by the contracting agency and FHWA.

4. Selection of Labor: During the performance of this contract, the contractor shall not use convict labor for any purpose within the limits of a construction project on a Federal-aid highway unless it is labor performed by convicts who are on parole, supervised release, or probation. The term Federal-aid highway does not include roadways functionally classified as local roads or rural minor collectors.

II. NONDISCRIMINATION

The provisions of this section related to 23 CFR Part 230 are applicable to all Federal-aid construction contracts and to all related construction subcontracts of \$10,000 or more. The provisions of 23 CFR Part 230 are not applicable to material supply, engineering, or architectural service contracts. In addition, the contractor and all subcontractors must comply with the following policies: Executive Order 11246, 41 CFR 60, 29 CFR 1625-1627, Title 23 USC Section 140, the Rehabilitation Act of 1973, as amended (29 USC 794), Title VI of the Civil Rights Act of 1964, as amended, and related regulations including 49 CFR Parts 21, 26 and 27; and 23 CFR Parts 200, 230, and 633.

The contractor and all subcontractors must comply with: the requirements of the Equal

Opportunity Clause in 41 CFR 60-1.4(b) and, for all construction contracts exceeding \$10,000, the Standard Federal Equal Employment Opportunity Construction Contract Specifications in 41 CFR 60-4.3.

Note: The U.S. Department of Labor has exclusive authority to determine compliance with Executive Order 11246 and the policies of the Secretary of Labor including 41 CFR 60, and 29 CFR 1625-1627. The contracting agency and the FHWA have the authority and the responsibility to ensure compliance with Title 23 USC Section 140, the Rehabilitation Act of 1973, as amended (29 USC 794), and Title VI of the Civil Rights Act of 1964, as amended, and related regulations including 49 CFR Parts 21, 26 and 27; and 23 CFR Parts 200, 230, and 633.

The following provision is adopted from 23 CFR 230, Appendix A, with appropriate revisions to conform to the U.S. Department of Labor (US DOL) and FHWA requirements.

1. Equal Employment Opportunity: Equal employment opportunity (EEO) requirements not to discriminate and to take affirmative action to assure equal opportunity as set forth under laws, executive orders, rules, regulations (28 CFR 35, 29 CFR 1630, 29 CFR 1625-1627, 41 CFR 60 and 49 CFR 27) and orders of the Secretary of Labor as modified by the provisions prescribed herein, and imposed pursuant to 23 U.S.C. 140 shall constitute the EEO and specific affirmative action standards for the contractor's project activities under this contract. The provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) set forth under 28 CFR 35 and 29 CFR 1630 are incorporated by reference in this contract. In the execution of this contract, the contractor agrees to comply with the following minimum specific requirement activities of EEO:

a. The contractor will work with the contracting agency and the Federal Government to ensure that it has made every good faith effort to provide equal opportunity with respect to all of its terms and conditions of employment and in their review of activities under the contract.

b. The contractor will accept as its operating policy the following statement:

"It is the policy of this Company to assure that applicants are employed, and that employees are treated during employment, without regard to their race, religion, sex, color, national origin, age or disability. Such action shall include: employment, upgrading,

demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship, pre-apprenticeship, and/or on-the-job training."

2. EEO Officer: The contractor will designate and make known to the contracting officers an EEO Officer who will have the responsibility for and must be capable of effectively administering and promoting an active EEO program and who must be assigned adequate authority and responsibility to do so.

3. Dissemination of Policy: All members of the contractor's staff who are authorized to hire, supervise, promote, and discharge employees, or who recommend such action, or who are substantially involved in such action, will be made fully cognizant of, and will implement, the contractor's EEO policy and contractual responsibilities to provide EEO in each grade and classification of employment. To ensure that the above agreement will be met, the following actions will be taken as a minimum:

a. Periodic meetings of supervisory and personnel office employees will be conducted before the start of work and then not less often than once every six months, at which time the contractor's EEO policy and its implementation will be reviewed and explained. The meetings will be conducted by the EEO Officer.

b. All new supervisory or personnel office employees will be given a thorough indoctrination by the EEO Officer, covering all major aspects of the contractor's EEO obligations within thirty days following their reporting for duty with the contractor.

c. All personnel who are engaged in direct recruitment for the project will be instructed by

the EEO Officer in the contractor's procedures for locating and hiring minorities and women.

d. Notices and posters setting forth the contractor's EEO policy will be placed in areas readily accessible to employees, applicants for employment and potential employees.

e. The contractor's EEO policy and the procedures to implement such policy will be brought to the attention of employees by means of meetings, employee handbooks, or other appropriate means.

4. Recruitment: When advertising for employees, the contractor will include in all advertisements for employees the notation: "An Equal Opportunity Employer." All such advertisements will be placed in publications having a large circulation among minorities and women in the area from which the project work force would normally be derived.

a. The contractor will, unless precluded by a valid bargaining agreement, conduct systematic and direct recruitment through public and private employee referral sources likely to yield qualified minorities and women. To meet this requirement, the contractor will identify sources of potential minority group employees, and establish with such identified sources procedures whereby minority and women applicants may be referred to the contractor for employment consideration.

b. In the event the contractor has a valid bargaining agreement providing for exclusive hiring hall referrals, the contractor is expected to observe the provisions of that agreement to the extent that the system meets the contractor's compliance with EEO contract provisions. Where implementation of such an agreement has the effect of discriminating against minorities or women, or obligates the contractor to do the same, such implementation violates Federal nondiscrimination provisions.

c. The contractor will encourage its present employees to refer minorities and women as applicants for employment. Information and procedures with regard to referring such applicants will be discussed with employees.

5. Personnel Actions: Wages, working conditions, and employee benefits shall be established and administered, and personnel actions of every type, including hiring, upgrading, promotion, transfer, demotion, layoff, and termination, shall be taken without regard to race, color, religion, sex, national origin, age or

disability. The following procedures shall be followed:

a. The contractor will conduct periodic inspections of project sites to insure that working conditions and employee facilities do not indicate discriminatory treatment of project site personnel.

b. The contractor will periodically evaluate the spread of wages paid within each classification to determine any evidence of discriminatory wage practices.

c. The contractor will periodically review selected personnel actions in depth to determine whether there is evidence of discrimination. Where evidence is found, the contractor will promptly take corrective action. If the review indicates that the discrimination may extend beyond the actions reviewed, such corrective action shall include all affected persons.

d. The contractor will promptly investigate all complaints of alleged discrimination made to the contractor in connection with its obligations under this contract, will attempt to resolve such complaints, and will take appropriate corrective action within a reasonable time. If the investigation indicates that the discrimination may affect persons other than the complainant, such corrective action shall include such other persons. Upon completion of each investigation, the contractor will inform every complainant of all of their avenues of appeal.

6. Training and Promotion:

a. The contractor will assist in locating, qualifying, and increasing the skills of minorities and women who are applicants for employment or current employees. Such efforts should be aimed at developing full journey level status employees in the type of trade or job classification involved.

b. Consistent with the contractor's work force requirements and as permissible under Federal and State regulations, the contractor shall make full use of training programs, i.e., apprenticeship, and on-the-job training programs for the geographical area of contract performance. In the event a special provision for training is provided under this contract, this subparagraph will be superseded as indicated in the special provision. The contracting agency may reserve training positions for persons who receive welfare assistance in accordance with 23 U.S.C. 140(a).

c. The contractor will advise employees and applicants for employment of available training programs and entrance requirements for each.

d. The contractor will periodically review the training and promotion potential of employees who are minorities and women and will encourage eligible employees to apply for such training and promotion.

7. Unions: If the contractor relies in whole or in part upon unions as a source of employees, the contractor will use good faith efforts to obtain the cooperation of such unions to increase opportunities for minorities and women. Actions by the contractor, either directly or through a contractor's association acting as agent, will include the procedures set forth below:

a. The contractor will use good faith efforts to develop, in cooperation with the unions, joint training programs aimed toward qualifying more minorities and women for membership in the unions and increasing the skills of minorities and women so that they may qualify for higher paying employment.

b. The contractor will use good faith efforts to incorporate an EEO clause into each union agreement to the end that such union will be contractually bound to refer applicants without regard to their race, color, religion, sex, national origin, age or disability.

c. The contractor is to obtain information as to the referral practices and policies of the labor union except that to the extent such information is within the exclusive possession of the labor union and such labor union refuses to furnish such information to the contractor, the contractor shall so certify to the contracting agency and shall set forth what efforts have been made to obtain such information.

d. In the event the union is unable to provide the contractor with a reasonable flow of referrals within the time limit set forth in the collective bargaining agreement, the contractor will, through independent recruitment efforts, fill the employment vacancies without regard to race, color, religion, sex, national origin, age or disability; making full efforts to obtain qualified and/or qualifiable minorities and women. The failure of a union to provide sufficient referrals (even though it is obligated to provide exclusive referrals under the terms of a collective bargaining agreement) does not relieve the contractor from the requirements of this paragraph. In the event the union referral practice prevents the contractor from meeting the obligations pursuant to Executive Order

11246, as amended, and these special provisions, such contractor shall immediately notify the contracting agency.

8. Reasonable Accommodation for Applicants / Employees with Disabilities:

The contractor must be familiar with the requirements for and comply with the Americans with Disabilities Act and all rules and regulations established there under. Employers must provide reasonable accommodation in all employment activities unless to do so would cause an undue hardship.

9. Selection of Subcontractors, Procurement of Materials and Leasing of Equipment:

The contractor shall not discriminate on the grounds of race, color, religion, sex, national origin, age or disability in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The contractor shall take all necessary and reasonable steps to ensure nondiscrimination in the administration of this contract.

a. The contractor shall notify all potential subcontractors and suppliers and lessors of their EEO obligations under this contract.

b. The contractor will use good faith efforts to ensure subcontractor compliance with their EEO obligations.

10. Assurance Required by 49 CFR 26.13(b):

a. The requirements of 49 CFR Part 26 and the State DOT's U.S. DOT-approved DBE program are incorporated by reference.

b. The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the contracting agency deems appropriate.

11. Records and Reports: The contractor shall keep such records as necessary to document compliance with the EEO requirements. Such records shall be retained for a period of three years following the date of the final payment to the contractor for all contract work and shall be available at reasonable times and places for

inspection by authorized representatives of the contracting agency and the FHWA.

a. The records kept by the contractor shall document the following:

(1) The number and work hours of minority and non-minority group members and women employed in each work classification on the project;

(2) The progress and efforts being made in cooperation with unions, when applicable, to increase employment opportunities for minorities and women; and

(3) The progress and efforts being made in locating, hiring, training, qualifying, and upgrading minorities and women;

b. The contractors and subcontractors will submit an annual report to the contracting agency each July for the duration of the project, indicating the number of minority, women, and non-minority group employees currently engaged in each work classification required by the contract work. This information is to be reported on [Form FHWA-1391](#). The staffing data should represent the project work force on board in all or any part of the last payroll period preceding the end of July. If on-the-job training is being required by special provision, the contractor will be required to collect and report training data. The employment data should reflect the work force on board during all or any part of the last payroll period preceding the end of July.

III. NONSEGREGATED FACILITIES

This provision is applicable to all Federal-aid construction contracts and to all related construction subcontracts of \$10,000 or more.

The contractor must ensure that facilities provided for employees are provided in such a manner that segregation on the basis of race, color, religion, sex, or national origin cannot result. The contractor may neither require such segregated use by written or oral policies nor tolerate such use by employee custom. The contractor's obligation extends further to ensure that its employees are not assigned to perform their services at any location, under the contractor's control, where the facilities are segregated. The term "facilities" includes waiting rooms, work areas, restaurants and other eating areas, time clocks, restrooms, washrooms, locker rooms, and other storage or dressing areas, parking lots, drinking fountains,

recreation or entertainment areas, transportation, and housing provided for employees. The contractor shall provide separate or single-user restrooms and necessary dressing or sleeping areas to assure privacy between sexes.

IV. DAVIS-BACON AND RELATED ACT PROVISIONS

This section is applicable to all Federal-aid construction projects exceeding \$2,000 and to all related subcontracts and lower-tier subcontracts (regardless of subcontract size). The requirements apply to all projects located within the right-of-way of a roadway that is functionally classified as Federal-aid highway. This excludes roadways functionally classified as local roads or rural minor collectors, which are exempt. Contracting agencies may elect to apply these requirements to other projects.

The following provisions are from the U.S. Department of Labor regulations in 29 CFR 5.5 "Contract provisions and related matters" with minor revisions to conform to the FHWA-1273 format and FHWA program requirements.

1. Minimum wages

a. All laborers and mechanics employed or working upon the site of the work, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph 1.d. of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or

incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph 1.b. of this section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

b. (1) The contracting officer shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(i) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(ii) The classification is utilized in the area by the construction industry; and

(iii) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(2) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the

contracting officer within the 30-day period that additional time is necessary.

(3) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Wage and Hour Administrator for determination. The Wage and Hour Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(4) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs 1.b.(2) or 1.b.(3) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

c. Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

d. If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

2. Withholding

The contracting agency shall upon its own action or upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor under this contract, or any other Federal contract with the same prime contractor,

or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the contract, the contracting agency may, after written notice to the contractor, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

3. Payrolls and basic records

a. Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

b. (1) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the

contracting agency. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at

<http://www.dol.gov/esa/whd/forms/wh347instr.htm> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the contracting agency for transmission to the State DOT, the FHWA or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the contracting agency..

(2) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(i) That the payroll for the payroll period contains the information required to be provided under §5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under §5.5 (a)(3)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;

(ii) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(iii) That each laborer or mechanic has been paid not less than the applicable wage

rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(3) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph 3.b.(2) of this section.

(4) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

c. The contractor or subcontractor shall make the records required under paragraph 3.a. of this section available for inspection, copying, or transcription by authorized representatives of the contracting agency, the State DOT, the FHWA, or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the FHWA may, after written notice to the contractor, the contracting agency or the State DOT, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

4. Apprentices and trainees

a. Apprentices (programs of the USDOL).

Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice.

The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed.

Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination.

In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

b. Trainees (programs of the USDOL).

Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration.

The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration.

Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed.

In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

c. Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.

d. Apprentices and Trainees (programs of the U.S. DOT).

Apprentices and trainees working under apprenticeship and skill training programs which have been certified by the Secretary of Transportation as promoting EEO in connection with Federal-aid highway construction programs are not subject to the requirements of paragraph 4 of this Section IV. The straight time hourly wage rates for apprentices and trainees under

such programs will be established by the particular programs. The ratio of apprentices and trainees to journeymen shall not be greater than permitted by the terms of the particular program.

5. Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

6. Subcontracts. The contractor or subcontractor shall insert Form FHWA-1273 in any subcontracts and also require the subcontractors to include Form FHWA-1273 in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

7. Contract termination: debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

8. Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

9. Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

10. Certification of eligibility.

a. By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

b. No part of this contract shall be subcontracted to any person or firm ineligible for award of a

Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

c. The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

V. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

The following clauses apply to any Federal-aid construction contract in an amount in excess of \$100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by 29 CFR 5.5(a) or 29 CFR 4.6. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

1. Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

2. Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (1.) of this section, the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1.) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1.) of this section.

3. Withholding for unpaid wages and liquidated damages. The FHWA or the contracting agency shall upon its own action or

upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2.) of this section.

4. Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1.) through (4.) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1.) through (4.) of this section.

VI. SUBLETTING OR ASSIGNING THE CONTRACT

This provision is applicable to all Federal-aid construction contracts on the National Highway System.

1. The contractor shall perform with its own organization contract work amounting to not less than 30 percent (or a greater percentage if specified elsewhere in the contract) of the total original contract price, excluding any specialty items designated by the contracting agency. Specialty items may be performed by subcontract and the amount of any such specialty items performed may be deducted from the total original contract price before computing the amount of work required to be performed by the contractor's own organization (23 CFR 635.116).

a. The term "perform work with its own organization" refers to workers employed or leased by the prime contractor, and equipment owned or rented by the prime contractor, with or without operators. Such term does not include employees or equipment of a subcontractor or lower tier subcontractor, agents of the prime contractor, or any other assignees. The term may include payments for the costs of hiring

leased employees from an employee leasing firm meeting all relevant Federal and State regulatory requirements. Leased employees may only be included in this term if the prime contractor meets all of the following conditions:

- (1) the prime contractor maintains control over the supervision of the day-to-day activities of the leased employees;
- (2) the prime contractor remains responsible for the quality of the work of the leased employees;
- (3) the prime contractor retains all power to accept or exclude individual employees from work on the project; and
- (4) the prime contractor remains ultimately responsible for the payment of predetermined minimum wages, the submission of payrolls, statements of compliance and all other Federal regulatory requirements.

b. "Specialty Items" shall be construed to be limited to work that requires highly specialized knowledge, abilities, or equipment not ordinarily available in the type of contracting organizations qualified and expected to bid or propose on the contract as a whole and in general are to be limited to minor components of the overall contract.

2. The contract amount upon which the requirements set forth in paragraph (1) of Section VI is computed includes the cost of material and manufactured products which are to be purchased or produced by the contractor under the contract provisions.

3. The contractor shall furnish (a) a competent superintendent or supervisor who is employed by the firm, has full authority to direct performance of the work in accordance with the contract requirements, and is in charge of all construction operations (regardless of who performs the work) and (b) such other of its own organizational resources (supervision, management, and engineering services) as the contracting officer determines is necessary to assure the performance of the contract.

4. No portion of the contract shall be sublet, assigned or otherwise disposed of except with the written consent of the contracting officer, or authorized representative, and such consent when given shall not be construed to relieve the contractor of any responsibility for the fulfillment of the contract. Written consent will be given only after the contracting agency has assured that each subcontract is evidenced in writing and that it contains all pertinent provisions and requirements of the prime contract.

5. The 30% self-performance requirement of paragraph (1) is not applicable to design-build contracts; however, contracting agencies may establish their own self-performance requirements.

VII. SAFETY: ACCIDENT PREVENTION

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

1. In the performance of this contract the contractor shall comply with all applicable Federal, State, and local laws governing safety, health, and sanitation (23 CFR 635). The contractor shall provide all safeguards, safety devices and protective equipment and take any other needed actions as it determines, or as the contracting officer may determine, to be reasonably necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of the work covered by the contract.

2. It is a condition of this contract, and shall be made a condition of each subcontract, which the contractor enters into pursuant to this contract, that the contractor and any subcontractor shall not permit any employee, in performance of the contract, to work in surroundings or under conditions which are unsanitary, hazardous or dangerous to his/her health or safety, as determined under construction safety and health standards (29 CFR 1926) promulgated by the Secretary of Labor, in accordance with Section 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 3704).

3. Pursuant to 29 CFR 1926.3, it is a condition of this contract that the Secretary of Labor or authorized representative thereof, shall have right of entry to any site of contract performance to inspect or investigate the matter of compliance with the construction safety and health standards and to carry out the duties of the Secretary under Section 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C.3704).

VIII. FALSE STATEMENTS CONCERNING HIGHWAY PROJECTS

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

In order to assure high quality and durable construction in conformity with approved plans and specifications and a high degree of reliability on statements and representations made by engineers, contractors, suppliers, and workers on Federal-aid highway projects, it is essential that all persons concerned with the project perform their functions as carefully, thoroughly, and honestly as possible. Willful falsification, distortion, or misrepresentation with respect to any facts related to the project is a violation of Federal law. To prevent any misunderstanding regarding the seriousness of these and similar acts, Form FHWA-1022 shall be posted on each Federal-aid highway project (23 CFR 635) in one or more places where it is readily available to all persons concerned with the project:

18 U.S.C. 1020 reads as follows:

"Whoever, being an officer, agent, or employee of the United States, or of any State or Territory, or whoever, whether a person, association, firm, or corporation, knowingly makes any false statement, false representation, or false report as to the character, quality, quantity, or cost of the material used or to be used, or the quantity or quality of the work performed or to be performed, or the cost thereof in connection with the submission of plans, maps, specifications, contracts, or costs of construction on any highway or related project submitted for approval to the Secretary of Transportation; or

Whoever knowingly makes any false statement, false representation, false report or false claim with respect to the character, quality, quantity, or cost of any work performed or to be performed, or materials furnished or to be furnished, in connection with the construction of any highway or related project approved by the Secretary of Transportation; or

Whoever knowingly makes any false statement or false representation as to material fact in any statement, certificate, or report submitted pursuant to provisions of the Federal-aid Roads Act approved July 1, 1916, (39 Stat. 355), as amended and supplemented;

Shall be fined under this title or imprisoned not more than 5 years or both."

IX. IMPLEMENTATION OF CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

By submission of this bid/proposal or the execution of this contract, or subcontract, as appropriate, the bidder, proposer, Federal-aid construction contractor, or subcontractor, as appropriate, will be deemed to have stipulated as follows:

1. That any person who is or will be utilized in the performance of this contract is not prohibited from receiving an award due to a violation of Section 508 of the Clean Water Act or Section 306 of the Clean Air Act.

2. That the contractor agrees to include or cause to be included the requirements of paragraph (1) of this Section X in every subcontract, and further agrees to take such action as the contracting agency may direct as a means of enforcing such requirements.

X. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION

This provision is applicable to all Federal-aid construction contracts, design-build contracts, subcontracts, lower-tier subcontracts, purchase orders, lease agreements, consultant contracts or any other covered transaction requiring FHWA approval or that is estimated to cost \$25,000 or more – as defined in 2 CFR Parts 180 and 1200.

1. Instructions for Certification – First Tier Participants:

a. By signing and submitting this proposal, the prospective first tier participant is providing the certification set out below.

b. The inability of a person to provide the certification set out below will not necessarily result in denial of participation in this covered transaction. The prospective first tier participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective first tier participant to furnish a certification or an explanation shall disqualify such a person from participation in this transaction.

c. The certification in this clause is a material representation of fact upon which reliance was placed when the contracting agency determined to enter into this transaction. If it is later determined that the prospective participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the contracting agency may terminate this transaction for cause of default.

d. The prospective first tier participant shall provide immediate written notice to the contracting agency to whom this proposal is submitted if any time the prospective first tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

e. The terms "covered transaction," "debarred," "suspended," "ineligible," "participant," "person," "principal," and "voluntarily excluded," as used in this clause, are defined in 2 CFR Parts 180 and 1200. "First Tier Covered Transactions" refers to any covered transaction between a grantee or subgrantee of Federal funds and a participant (such as the prime or general contract). "Lower Tier Covered Transactions" refers to any covered transaction under a First Tier Covered Transaction (such as subcontracts). "First Tier Participant" refers to the participant who has entered into a covered transaction with a grantee or subgrantee of Federal funds (such as the prime or general contractor). "Lower Tier Participant" refers any participant who has entered into a covered transaction with a First Tier Participant or other Lower Tier Participants (such as subcontractors and suppliers).

f. The prospective first tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

g. The prospective first tier participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions," provided by the department or contracting agency, entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for

lower tier covered transactions exceeding the \$25,000 threshold.

h. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any lower tier prospective participants, each participant may, but is not required to, check the Excluded Parties List System website (<https://www.epls.gov/>), which is compiled by the General Services Administration.

i. Nothing contained in the foregoing shall be construed to require the establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of the prospective participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

j. Except for transactions authorized under paragraph (f) of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

* * * * *

2. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – First Tier Participants:

a. The prospective first tier participant certifies to the best of its knowledge and belief, that it and its principals:

(1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency;

(2) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain,

or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (a)(2) of this certification; and

(4) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

b. Where the prospective participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

2. Instructions for Certification - Lower Tier Participants:

(Applicable to all subcontracts, purchase orders and other lower tier transactions requiring prior FHWA approval or estimated to cost \$25,000 or more - 2 CFR Parts 180 and 1200)

a. By signing and submitting this proposal, the prospective lower tier is providing the certification set out below.

b. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department, or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

c. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous by reason of changed circumstances.

d. The terms "covered transaction," "debarred," "suspended," "ineligible," "participant," "person," "principal," and "voluntarily excluded," as used in this clause, are defined in 2 CFR Parts 180 and 1200. You may contact the person to which this proposal is

submitted for assistance in obtaining a copy of those regulations. "First Tier Covered Transactions" refers to any covered transaction between a grantee or subgrantee of Federal funds and a participant (such as the prime or general contract). "Lower Tier Covered Transactions" refers to any covered transaction under a First Tier Covered Transaction (such as subcontracts). "First Tier Participant" refers to the participant who has entered into a covered transaction with a grantee or subgrantee of Federal funds (such as the prime or general contractor). "Lower Tier Participant" refers any participant who has entered into a covered transaction with a First Tier Participant or other Lower Tier Participants (such as subcontractors and suppliers).

e. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

f. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions exceeding the \$25,000 threshold.

g. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any lower tier prospective participants, each participant may, but is not required to, check the Excluded Parties List System website (<https://www.epls.gov/>), which is compiled by the General Services Administration.

h. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of participant is not

required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

i. Except for transactions authorized under paragraph e of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

* * * * *

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Participants:

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency.

2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

* * * * *

XI. CERTIFICATION REGARDING USE OF CONTRACT FUNDS FOR LOBBYING

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts which exceed \$100,000 (49 CFR 20).

1. The prospective participant certifies, by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

a. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or

modification of any Federal contract, grant, loan, or cooperative agreement.

b. If any funds other than Federal appropriated funds have been paid or will be aid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

2. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

3. The prospective participant also agrees by submitting its bid or proposal that the participant shall require that the language of this certification be included in all lower tier subcontracts, which exceed \$100,000 and that all such recipients shall certify and disclose accordingly.

The Bidder shall list the name and address of each subcontractor to whom the Bidder proposes to subcontract portions of the work, as required by the provisions in Section 2-1.054, "Required Listing of Proposed Subcontractors," of the State Standard Specifications and Section 12, "Subcontractors," of the information for bidders.

LIST OF SUBCONTRACTORS

Name and Address

**Description of Portion
of Work Subcontracted**

*(THE BIDDER'S EXECUTION ON THE SIGNATURE PORTION OF
THIS PROPOSAL SHALL ALSO CONSTITUTE AN
ENDORSEMENT AND EXECUTION OF THOSE CERTIFICATIONS
WHICH ARE A PART OF THIS PROPOSAL)*

EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION

The bidder _____, proposed subcontractor _____, hereby certifies that he has _____, has not _____, participated in a previous contract or subcontract subject to the equal opportunity clauses, as required by Executive Orders 10925, 11114, or 11246, and that, where required, he has filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance, a Federal Government contracting or administering agency, or the former President's Committee on Equal Employment Opportunity, all reports due under the applicable filing requirements.

Note: The above certification is required by the Equal Employment Opportunity Regulations of the Secretary of Labor (41 CFR 60-1.7(b) (1)), and must be submitted by bidders and proposed subcontractors only in connection with contracts and subcontracts which are subject to the equal opportunity clause. Contracts and subcontracts which are exempt from the equal opportunity clause are set forth in 41 CFR 60-1.5. (Generally only contracts or subcontracts of \$10,000 or under are exempt.)

Currently, Standard Form 100 (EEO-1) is the only report required by the Executive Orders or their implementing regulations.

Proposed prime contractors and subcontractors who have participated in a previous contract or subcontract subject to the Executive Orders and have not filed the required reports should note that 41 CFR 60-1.7(b) (1) prevents the award of contracts and subcontracts unless such contractor submits a report covering the delinquent period or such other period specified by the Federal Highway Administration or by the Director, Office of Federal Contract Compliance, U.S. Department of Labor.

PUBLIC CONTRACT CODE

Public Contract Code Section 10285.1 Statement

In conformance with Public Contract Code Section 10285.1 (Chapter 376, Stats. 1985), the bidder hereby declares under penalty of perjury under the laws of the State of California that the bidder has _____, has not _____ been convicted within the preceding three years of any offenses referred to in that section, including any charge of fraud, bribery, collusion, conspiracy, or any other act in violation of any state or Federal antitrust law in connection with the bidding upon, award of, or performance of, any public works contract, as defined in Public Contract Code Section 1101, with any public entity, as defined in Public Contract Code Section 1100, including the Regents of the University of California or the Trustees of the California State University. The term "bidder" is understood to include any partner, member, officer, director, responsible managing officer, or responsible managing employee thereof, as referred to in Section 10285.1.

Note: The bidder must place a check mark after "has" or "has not" in one of the blank spaces provided. The above Statement is part of the Proposal. Signing this Proposal on the signature portion thereof shall also constitute signature of this Statement. Bidders are cautioned that making a false certification may subject the certifier to criminal prosecution.

Public Contract Code Section 10162 Questionnaire

In conformance with Public Contract Code Section 10162, the Bidder shall complete, under penalty of perjury, the following questionnaire:

Has the bidder, any officer of the bidder, or any employee of the bidder who has a proprietary interest in the bidder, ever been disqualified, removed, or otherwise prevented from bidding on, or completing a federal, state, or local government project because of a violation of law or a safety regulation?

Yes _____ No _____

If the answer is yes, explain the circumstances in the following space.

Public Contract Code 10232 Statement

In conformance with Public Contract Code Section 10232, the Contractor, hereby states under penalty of perjury, that no more than one final unappealable finding of contempt of court by a federal court has been issued against the Contractor within the immediately preceding two year period because of the Contractor's failure to comply with an order of a federal court which orders the Contractor to comply with an order of the National Labor Relations Board.

Note: The above Statement and Questionnaire are part of the Proposal. Signing this Proposal on the signature portion thereof shall also constitute signature of this Statement and Questionnaire.
Bidders are cautioned that making a false certification may subject the certifier to criminal prosecution.

Noncollusion Affidavit

(Title 23 United States Code Section 112 and
Public Contract Code Section 7106)

To the CITY / COUNTY of _____
DEPARTMENT OF PUBLIC WORKS.

In conformance with Title 23 United States Code Section 112 and Public Contract Code 7106 the bidder declares that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

Note: The above Noncollusion Affidavit is part of the Proposal. Signing this Proposal on the signature portion thereof shall also constitute signature of this Noncollusion Affidavit.
Bidders are cautioned that making a false certification may subject the certifier to criminal prosecution.

DEBARMENT AND SUSPENSION CERTIFICATION

TITLE 49, CODE OF FEDERAL REGULATIONS, PART 29

The bidder, under penalty of perjury, certifies that, except as noted below, he/she or any other person associated therewith in the capacity of owner, partner, director, officer, manager:

- is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any Federal agency;
- has not been suspended, debarred, voluntarily excluded or determined ineligible by any Federal agency within the past 3 years;
- does not have a proposed debarment pending; and
- has not been indicted, convicted, or had a civil judgement rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past 3 years.

If there are any exceptions to this certification, insert the exceptions in the following space.

Exceptions will not necessarily result in denial of award, but will be considered in determining bidder responsibility. For any exception noted above, indicate below to whom it applies, initiating agency, and dates of action.

Notes: Providing false information may result in criminal prosecution or administrative sanctions. The above certification is part of the Proposal. Signing this Proposal on the signature portion thereof shall also constitute signature of this Certification.

NONLOBBYING CERTIFICATION FOR FEDERAL-AID CONTRACTS

The prospective participant certifies, by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in conformance with its instructions.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The prospective participant also agrees by submitting his or her bid or proposal that he or she shall require that the language of this certification be included in all lower tier subcontracts, which exceed \$100,000 and that all such subrecipients shall certify and disclose accordingly.

DISCLOSURE OF LOBBYING ACTIVITIES

COMPLETE THIS FORM TO DISCLOSE LOBBYING ACTIVITIES PURSUANT TO 31 U.S.C. 1352

1. Type of Federal Action:☐

- a. contract
b. grant
c. cooperative agreement
d. loan
e. loan guarantee
f. loan insurance

2. Status of Federal Action:☐

- a. bid/offer/application
b. initial award
c. post-award

3. Report Type:☐

- a. initial
b. material change

For Material Change Only:

year _____ quarter _____
date of last report _____

4. Name and Address of Reporting Entity☐

Prime

☐

Subawardee

Tier _____, if known

5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime:

Congressional District, if known

6. Federal Department/Agency:

Congressional District, if known

7. Federal Program Name/Description:

CFDA Number, if applicable _____

8. Federal Action Number, if known:**9. Award Amount, if known:****10. a. Name and Address of Lobby Entity**
(If individual, last name, first name, MI)**b. Individuals Performing Services** (including address if different from No. 10a)
(last name, first name, MI)

(attach Continuation Sheet(s) if necessary)

11. Amount of Payment (check all that apply)\$ _____ ☐ actual ☐ planned**12. Form of Payment (check all that apply):**☐

a. cash

☐b. in-kind; specify: nature _____
value _____**13. Type of Payment (check all that apply)**☐
☐
☐
☐
☐
☐

- a. retainer
b. one-time fee
c. commission
d. contingent fee
e. deferred
f. other, specify _____

14. Brief Description of Services Performed or to be performed and Date(s) of Service, including officer(s), employee(s), or member(s) contacted, for Payment Indicated in Item 11:

(attach Continuation Sheet(s) if necessary)

15. Continuation Sheet(s) attached:

Yes

☐

No

☐

16. Information requested through this form is authorized by Title 31 U.S.C. Section 1352. This disclosure of lobbying reliance was placed by the tier above when his transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to Congress semiannually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Signature: _____

Print Name: _____

Title: _____

Telephone No.: _____ Date: _____

Federal Use Only:Authorized for Local Reproduction
Standard Form - LLL

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of covered Federal action or a material change to previous filing pursuant to title 31 U.S.C. section 1352. The filing of a form is required for such payment or agreement to make payment to lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress an officer or employee of Congress or an employee of a Member of Congress in connection with a covered Federal action. Attach a continuation sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence, the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last, previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District if known. Check the appropriate classification of the reporting entity that designates if it is or expects to be a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the first tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in Item 4 checks "Subawardee" then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organization level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identification in item 1 (e.g., Request for Proposal (RFP) number, Invitation for Bid (IFB) number, grant announcement number, the contract grant or loan award number, the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitments for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in item 4 to influenced the covered Federal action.
(b) Enter the full names of the individual(s) performing services and include full address if different from 10 (a). Enter Last Name, First Name and Middle Initial (MI).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (item 4) to the lobbying entity (item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
12. Check the appropriate box(es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate box(es). Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed or will be expected to perform and the date(s) of any services rendered. Include all preparatory and related activity not just time spent in actual contact with Federal officials. Identify the Federal officer(s) or employee(s) contacted or the officer(s) employee(s) or Member(s) of Congress that were contacted.
15. Check whether or not a continuation sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name title and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instruction, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden

estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, D.C. 20503.

SF-LLL-Instructions Rev. 06-04-90«ENDIF»

LOCAL ASSISTANCE PROCEDURES MANUAL
EXHIBIT 15-G CONSTRUCTION CONTRACT DBE COMMITMENT

1. Local Agency: _____ 2. Contract DBE Goal: _____
3. Project Description: _____
4. _____ Project Location: _____
5. _____ Bidder's Name: _____ 6. Prime Certified DBE: ☐ 7. Bid Amount: _____
8. Total Dollar Amount for **ALL** Subcontractors: _____ 9. Total Number of **ALL** Subcontractors: _____

10. Bid Item Number	11. Description of Work, Service, or Materials Supplied	12. DBE Certification Number	13. DBE Contact Information (Must be certified on the date bids are opened)	14. DBE Dollar Amount
Local Agency to Complete this Section			15. TOTAL CLAIMED DBE PARTICIPATION	\$
21. Local Agency Contract Number: _____				
22. Federal-Aid Project Number: _____				
23. Bid Opening Date: _____				
24. Contract Award Date: _____			IMPORTANT: Identify all DBE firms being claimed for credit, regardless of tier. Names of the First Tier DBE Subcontractors and their respective item(s) of work listed above must be consistent, where applicable with the names and items of the work in the "Subcontractor List" submitted with your bid. Written confirmation of each listed DBE is required.	
Local Agency certifies that all DBE certifications are valid and information on this form is complete and accurate.				
25. Local Agency Representative's Signature		26. Date	16. Preparer's Signature	
27. Local Agency Representative's Name		28. Phone	17. Date	
29. Local Agency Representative's Title			18. Preparer's Name	
			19. Phone	
			20. Preparer's Title	

DISTRIBUTION: 1. Original - Local Agency
 2. Copy - Caltrans District Local Assistance Engineer (DLAE). Failure to submit to DLAE within 30 days of contract execution may result in de-obligation of federal funds on contract. Include additional copy with award package.

Local Assistance Procedures Manual

INSTRUCTIONS - CONSTRUCTION CONTRACT DBE COMMITMENT

ALL BIDDERS:

PLEASE NOTE: This information may be submitted with your bid. If it is not, and you are the apparent low bidder or the second or third low bidder, it must be submitted and received as specified in the Special Provisions. Failure to submit the required DBE commitment will be grounds for finding the bid nonresponsive

1. **Local Agency** - Enter the name of the local or regional agency that is funding the contract.
2. **Contract DBE Goal** - Enter the contract DBE goal percentage as it appears on the project advertisement.
3. **Project Location** - Enter the project location as it appears on the project advertisement.
4. **Project Description** - Enter the project description as it appears on the project advertisement (Bridge Rehab, Seismic Rehab, Overlay, Widening, etc).
5. **Bidder's Name** - Enter the contractor's firm name.
6. **Prime Certified DBE** - Check box if prime contractor is a certified DBE.
7. **Bid Amount** - Enter the total contract bid dollar amount for the prime contractor.
8. **Total Dollar Amount for ALL Subcontractors** - Enter the total dollar amount for all subcontracted contractors. SUM = (DBEs + all Non-DBEs). Do not include the prime contractor information in this count.
9. **Total number of ALL subcontractors** - Enter the total number of all subcontracted contractors. SUM = (DBEs + all Non-DBEs). Do not include the prime contractor information in this count.
10. **Bid Item Number** - Enter bid item number for work, services, or materials supplied to be provided.
11. **Description of Work, Services, or Materials Supplied** - Enter description of work, services, or materials to be provided. Indicate all work to be performed by DBEs including work performed by the prime contractor's own forces, if the prime is a DBE. If 100% of the item is not to be performed or furnished by the DBE, describe the exact portion to be performed or furnished by the DBE. See LAPM Chapter 9 to determine how to count the participation of DBE firms.
12. **DBE Certification Number** - Enter the DBE's Certification Identification Number. All DBEs must be certified on the date bids are opened.
13. **DBE Contact Information** - Enter the name, address, and phone number of all DBE subcontracted contractors. Also, enter the prime contractor's name and phone number, if the prime is a DBE.
14. **DBE Dollar Amount** - Enter the subcontracted dollar amount of the work to be performed or service to be provided. Include the prime contractor if the prime is a DBE. See LAPM Chapter 9 for how to count full/partial participation.
15. **Total Claimed DBE Participation** - \$: Enter the total dollar amounts entered in the "DBE Dollar Amount" column. %: Enter the total DBE participation claimed ("Total Claimed DBE Participation Dollars" divided by item "Bid Amount"). If the total % claimed is less than item "Contract DBE Goal," an adequately documented Good Faith Effort (GFE) is required (see Exhibit 15-H DBE Information - Good Faith Efforts of the LAPM).
16. **Preparer's Signature** - The person completing the DBE commitment form on behalf of the contractor's firm must sign their name.
17. **Date** - Enter the date the DBE commitment form is signed by the contractor's preparer.
18. **Preparer's Name** - Enter the name of the person preparing and signing the contractor's DBE commitment form.
19. **Phone** - Enter the area code and phone number of the person signing the contractor's DBE commitment form.
20. **Preparer's Title** - Enter the position/title of the person signing the contractor's DBE commitment form.

LOCAL AGENCY SECTION

21. **Local Agency Contract Number** - Enter the Local Agency contract number or identifier.
22. **Federal-Aid Project Number** - Enter the Federal-Aid Project Number.
23. **Bid Opening Date** - Enter the date contract bids were opened.

24. Contract Award Date - Enter the date the contract was executed.

25. Local Agency Representative's Signature - The person completing this section of the form for the Local Agency must sign their name to certify that the information in this and the Contractor Section of this form is complete and accurate.

26. Date - Enter the date the DBE commitment form is signed by the Local Agency Representative.

27. Local Agency Representative's Name - Enter the name of the Local Agency Representative certifying the contractor's DBE commitment form.

28. Phone - Enter the area code and phone number of the person signing the contractor's DBE commitment form.

29. Local Agency Representative Title - Enter the position/title of the Local Agency Representative certifying the contractor's DBE commitment form.

- C. The items of work which the bidder made available to DBE firms including, where appropriate, any breaking down of the contract work items (including those items normally performed by the bidder with its own forces) into economically feasible units to facilitate DBE participation. It is the bidder's responsibility to demonstrate that sufficient work to facilitate DBE participation was made available to DBE firms.

Items of Work	Bidder Normally Performs Item (Y/N)	Breakdown of Items	Amount (\$)	Percentage Of Contract

- D. The names, addresses and phone numbers of rejected DBE firms, the reasons for the bidder's rejection of the DBEs, the firms selected for that work (please attach copies of quotes from the firms involved), and the price difference for each DBE if the selected firm is not a DBE:

Names, addresses and phone numbers of rejected DBEs and the reasons for the bidder's rejection of the DBEs:

Names, addresses and phone numbers of firms selected for the work above:

- E. Efforts made to assist interested DBEs in obtaining bonding, lines of credit or insurance, and any technical assistance or information related to the plans, specifications and requirements for the work which was provided to DBEs:

- F. Efforts made to assist interested DBEs in obtaining necessary equipment, supplies, materials or related assistance or services, excluding supplies and equipment the DBE subcontractor purchases or leases from the prime contractor or its affiliate:

- G. The names of agencies, organizations or groups contacted to provide assistance in contacting, recruiting and using DBE firms (please attach copies of requests to agencies and any responses received, i.e., lists, Internet page download, etc.):

Name of Agency/Organization	Method/Date of Contact	Results

- H. Any additional data to support a demonstration of good faith efforts (use additional sheets if necessary):

NOTE: USE ADDITIONAL SHEETS OF PAPER IF NECESSARY.

PERFORMANCE BOND

**Invitation for Bids No. PW19-01
Traffic Signal Reconstruction Mathilda Avenue and Indio Way
Project No. TR-16-01
Federal Aid # HSIPL-5213(056)**

KNOW ALL MEN BY THESE PRESENTS:

THAT WHEREAS, the City of Sunnyvale ("City") has awarded to Ray's Electric as principal ("Contractor"), a contract for the public work described as follows:

The project entitled "Traffic Signal Reconstruction Mathilda Avenue and Indio Way, Project No. TR-16-01" pursuant to the award made to said Principal by the Council of the City of Sunnyvale to do and perform the following work, to wit: furnish all tools, equipment, apparatus, facilities, labor, transportation, and material necessary to perform and complete in a good and workmanlike manner, the work modifying the traffic signal at the intersection of Mathilda Avenue and Indio Way, construct ADA ramps, curb, gutter, sidewalk and drainage improvements, signing and striping improvements, as called for, and in the manner designated in, and in strict conformity with, the Plans and Specifications (the "work").

It is acknowledged that the contract provides for a one-year warranty period during which time this Bond remains in full force and effect. The contract and all of its terms and conditions are incorporated into this Bond by reference.

AND WHEREAS, the Contractor is required to furnish a bond in connection with the contract guaranteeing its faithful performance.

AND THEREFORE, we the undersigned Contractor as principal and _____ a _____, admitted and duly authorized to transact business under the laws of the State of California as surety, are held and firmly bound unto the City as obligee in the sum of One Million One Hundred Sixty Nine Thousand Four Hundred Seventeen and No/100 Dollars (\$1,169,417.00) (which amount is not less than 100% of the contract price) to be paid to the City or its successors and assigns; and for which payment, well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors or assigns, jointly and severally, firmly by these presents.

THE CONDITION of the obligation is such:

That if the Contractor, (or the Contractor's heirs, executors, administrators, successors or assigns) shall in all respects abide by, and well and truly keep and perform all of the covenants, conditions and agreements in the contract (and any alteration made as provided in the contract) at the time and in the manner specified and in all respects according to their true intent and meaning; and if the contractor shall

indemnify and save harmless the City, its officers, employees and agents, as stipulated in the contract, then this obligation shall become and be null and void; otherwise this obligation shall be and remain in full force and effect.

As a condition precedent to the satisfactory completion of the contract, the obligation of the Contractor and surety under this Bond shall remain in effect for a period of one (1) year after the completion and acceptance of the work. During that time, if the Contractor (or the Contractor's heirs, executors, administrators, successors or assigns) fails to make full, complete and satisfactory repair and replacement or totally protect the City from any loss or damage made evident during that year which results from or is caused by either defective materials or faulty workmanship in the prosecution of the work, then the obligation shall remain in full force and effect. However, anything in this paragraph to the contrary notwithstanding, the obligation of the Surety shall continue so long as any obligation of the Contractor remains.

No prepayment or delay in payments, and no change, extension, addition or alteration of any provision of the contract or in the specifications agreed to between the Contractor and the City, or any forbearance on the part of the City shall operate to relieve the surety. The surety hereby waives the provisions of Section 2819 of the California Civil Code. The surety waives all rights of subrogation against the City or any person employed by the City. If the contract price increases by the issuance of change orders, the amount specified in this bond shall increase by the same amount.

IN WITNESS WHEREOF, we have hereunto set our hands and seals on this
_____ day of _____, 20____.

SURETY (Name):

(Address of Principal Place of Business)

Telephone No.: _____

Facsimile No.: _____

By: _____

Attorney in Fact

CONTRACTOR (Name):

(Address)

By: _____

(Name: print or type)

Title: _____

By: _____

(Name: print or type)

Title: _____

**(Notice: The signatures of the Surety
and Contractor on this bond must be
acknowledged before a notary.)**

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PAYMENT BOND

**Invitation for Bids No. PW19-01
Traffic Signal Reconstruction Mathilda Avenue and Indio Way
Project No. TR-16-01
Federal Aid # HSIPL-5213(056)**

KNOW ALL MEN BY THESE PRESENTS:

THAT WHEREAS, the City of Sunnyvale ("City") has awarded to Ray's Electric as principal ("Contractor"), a contract for the public work described as follows:

The project entitled "Traffic Signal Reconstruction Mathilda Avenue and Indio Way, Project No. TR-16-01" pursuant to the award made to said Principal by the Council of the City of Sunnyvale to do and perform the following work, to wit: furnish all tools, equipment, apparatus, facilities, labor, transportation, and material necessary to perform and complete in a good and workmanlike manner, the work modifying the traffic signal at the intersection of Mathilda Avenue and Indio Way, construct ADA ramps, curb, gutter, sidewalk and drainage improvements, signing and striping improvements, as called for, and in the manner designated in, and in strict conformity with, the Plans and Specifications (the "work").

It is acknowledged that the contract provides for a one year warranty period during which time this Bond remains in full force and effect. The contract and all of its terms and conditions are incorporated into this Bond by reference.

AND WHEREAS, the Contractor is required to furnish a bond in connection with the contract guaranteeing payment of persons who provide labor and material;

AND THEREFORE, we the undersigned Contractor as principal and _____ a _____, admitted and duly authorized to transact business under the laws of the State of California, as surety, are held and firmly bound unto the City or its successors and assigns as obligee in the sum of _____; (which amount is not less than 100% of the contract price) and for which payment, well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors or assigns, jointly and severally, firmly by these presents.

THE CONDITION of the obligation is such:

That if the Contractor, (or the Contractor's subcontractors, heirs, executors, administrators, successors or assigns) fails to pay any of the persons named in Section 3181 of the Civil Code of the State

of California, or the amounts due under the Unemployment Insurance Code of the State of California with respect to work or labor performed under the Contract, or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of the contractor and subcontractors pursuant to Section 13020 of the Unemployment Insurance Code of the State of California, with respect to such work and labor, that the surety will pay for the same, in an amount not exceeding the sum specified in this bond, and also, in case suit is brought upon the bond, shall pay reasonable attorney's fees, to be fixed by the Court.

This bond shall inure to the benefit of any and all persons, companies, and corporations named in Section 3181 of the Civil Code of the State of California, so as to give a right of action to them or their assigns in any suit brought upon this bond.

No prepayment or delay in payments, and no change, extension, addition or alteration of any provision of the contract or in the specifications agreed to between the Contractor and the City, or any forbearance on the part of the City shall operate to relieve the surety. The surety hereby waives the provisions of Section 2819 of the California Civil Code. The surety waives all rights of subrogation against the City or any person employed by the City. If the contract price increases by the issuance of change orders, the amount specified in this bond shall increase by the same amount.

IN WITNESS WHEREOF, we have hereunto set our hands and seals on this
_____ day of _____, 20____.

SURETY (Name):

(Address of Principal Place of Business)

Telephone No.: _____

Facsimile No.: _____

By: _____

Attorney in Fact

CONTRACTOR (Name):

(Address)

By: _____

(Name: print or type)

Title: _____

By: _____

(Name: print or type)

Title: _____

**(Notice: The signatures of the Surety
and Contractor on this bond must be
acknowledged before a notary.)**

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GUARANTY

TO THE CITY OF SUNNYVALE, for construction of

Traffic Signal Reconstruction Mathilda Avenue and Indio Way, TR-16-01
Federal Aid # HSIPL-5213(056)

The undersigned guarantees all construction performed on this project and also guarantees all material and equipment incorporated therein.

Contractor hereby grants to City for a period of one (1) year following the date of Final Acceptance of the Work, or such longer period specified in the Contract Documents, its unconditional warranty of the quality and adequacy of all of the Work and its compliance with the Contract Documents including, without limitation, all labor, materials and equipment provided by Contractor and its Subcontractors of all tiers in connection with the Work.

Neither final payment nor use or occupancy of the Work performed by the Contractor shall constitute an acceptance of work not done in accordance with this Guaranty or relieve Contractor of liability in respect to any express warranties or responsibilities for faulty materials or workmanship. Contractor shall remedy any defects in the Work and pay for any damage resulting therefrom which shall appear within one (1) year, or longer if specified, from the date of Final Acceptance.

If within one year after the date of Final Acceptance, or such longer period of time as may be prescribed by laws or regulations, or by the terms of Contract Documents, any Work is found to be defective, Contractor shall promptly, without cost to City and in accordance with City's written instructions, correct such defective Work. Contractor shall remove any defective Work rejected by City and replace it with Work that is not defective, and satisfactorily correct or remove and replace any damage to other Work or the work of others resulting therefrom. If Contractor fails to promptly comply with the terms of such instructions, or in an emergency where delay would cause serious risk of loss or damage, City may have the defective Work corrected or the rejected Work removed and replaced. Contractor shall pay for all claims, costs, losses and damages caused by or resulting from such removal and replacement. Where Contractor fails to correct defective work, or defects are discovered outside the correction period, City shall have all rights and remedies granted by law.

Inspection of the work shall not relieve Contractor of any of its obligations under the Contract Documents. Even though equipment, materials, or work required to be provided under the Contract Documents have been inspected, accepted, and estimated for payment, Contractor shall, at its own expense, replace or repair any such equipment, material, or work found to be defective or otherwise not to comply with the requirements of the Contract Documents up to the end of the guaranty period.

All abbreviations and definitions of terms used in this Agreement shall have the meanings set forth in the Contract Documents, including, without means of limitation, Supplemental General Provisions, Definition of Works and Terms.

The foregoing Guaranty is in addition to any other warranties of Contractor contained in the Contract Documents, and not in lieu of, any and all other liability imposed on Contractor under the Contract Documents and at law with respect to Contractor's duties, obligations, and performance under the Contract Documents. In the event of any conflict or inconsistency between the terms of this Guaranty and any warranty or obligation of the Contractor under the Contract Documents or at law, such inconsistency or conflict shall be resolved in favor of the higher level of obligation of the Contractor.

_____(Contractor Name)

_____(Contractor Address)

Contractor Signature

Date



City of Sunnyvale

Agenda Item

19-0045

Agenda Date: 2/26/2019

REPORT TO COUNCIL

SUBJECT

Continuation of Supplemental Law Enforcement Services (SLES) Funds and Approval of Budget Modification No. 22 to Appropriate \$93,355 in SLES Funding to Support Sworn Staff Overtime Costs and the Purchase of Identified Police Services Equipment

BACKGROUND

Each year, the State Legislature appropriates money to Santa Clara County local law enforcement agencies for supplemental police funding. This funding is a continuation of the Supplemental Law Enforcement Services funding program (SLES) that was first provided in FY 1996/97 via Assembly Bill 3229 (AB 3229, Brulte). SLES funds are only to be used for front-line municipal police services and should supplement, not supplant, current front-line law enforcement services. Funds must be encumbered or spent within the two-year grant cycle. In previous years, the Department of Public Safety (DPS) has used SLES allocations for the purchase of law enforcement equipment, to pay for sworn personnel costs or a combination of both. The distribution mechanism of funds is through the Citizens' Option for Public Safety (COPS) Program.

Changes to the administrative requirements of the COPS Program occurred late 2012 when Santa Clara County's Supplemental Law Enforcement Oversight Committee (SLEOC) was disbanded. Recipient agencies are no longer required to submit year-end reports or submit minutes of their Council's approval of their appropriations related to SLES allocations. FY 2012/13 marked the last year DPS was required to formulate a detailed spending plan to the SLEOC. At that time, the decision was also made to redirect SLES funds from equipment to personnel.

In FY 2017/18, City Council approved RTC No. 17-1012 appropriating SLES Funds to support regular and overtime costs for sworn staff and for the purchase of identified police service equipment.

EXISTING POLICY

California Government Code Sections 30061 - 30065 govern these grants and their distribution. The provisions require each municipal law enforcement agency to submit a request to its governing body to formally appropriate SLES monies. Additionally, funds not expended in the appropriation year must be expended or encumbered no later than June 30 of the following fiscal year. Any unspent funds are to be remitted back to the State.

ENVIRONMENTAL REVIEW

This budget modification does not constitute a "project" with the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378 (b) (4) in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

DISCUSSION

SLES guidelines require a review of public safety needs and that the Chief Law Enforcement Officer for a municipality, through Council, make a formal request for the application of SLES funding. The Director of Public Safety has reviewed the Department of Public Safety's needs and requests to utilize SLES funds to support sworn staff overtime costs for burglary suppression efforts and identified police equipment.

Between the FY 2017/18 and FY 2018/19 SLES funding amounts, a total adjustment to the budget of \$93,355 is required as follows:

- a) Appropriation of FY 2017/18 unencumbered SLES fund balance of \$4,309.
In January 2018, City Council approved RTC No. 17-1012 appropriating SLES Funds to support regular and overtime costs for a Public Safety Lieutenant assigned to Investigations in the Community Crimes Unit (CCU), sworn overtime costs for burglary suppression efforts and police services equipment. The full amount of SLES funding was not expended and these funds must be expended no later than June 30, 2019. As appropriations lapse at the end of the fiscal year, the FY 2017/18 funds fell to reserve and must be re-appropriated.
- b) Increase the existing FY 2018/19 SLES appropriation by \$89,048.
The City's FY 2018/19 SLES allocation was initially estimated at \$255,827. This amount was included and approved through the City's annual budget process. The City's actual allocation is \$233,125, reflecting a decrease of \$22,702. Additionally, the City received SLES funding in the amount of \$111,748 for a net amount of \$89,046. The amount reflects a growth payment from the State that relates to FY 2017/18 but is received in the subsequent fiscal year. This funding will be allocated to a New Project-FY 2018/19 Police Services Special Project (SLES).

It is recommended that additional SLES funds be allocated to New Project - FY 2018/19 Police Services Special Project (SLES) to support the following activities:

Description	Budget
Officer overtime costs for burglary and gang suppression detail.	\$66,755
Purchase of five (5) semi-auto colt commandos for use by the traffic unit. They are the same type of firearms currently used by the patrol unit but have a shorter barrel to accommodate mounting on the police motorcycles.	\$11,000
Purchase of four (4) suppressors for SWAT's sniper rifles. Suppressors eliminate the muzzle flash and greatly reduces the blast emitted from the barrel.	\$5,600
Radio and equipment for unmarked vehicle.	\$10,000
Total:	\$93,355

FISCAL IMPACT

Budget Modification No. 22 has been prepared to appropriate SLES funds in the amount of \$93,355.

**Budget Modification No. 22
FY 2018/19**

	Current	Increase/ (Decrease)	Revised
Police Services Augmentation Fund			
<u>Revenues</u>			
FY 2018/19 SLES Funds	\$255,827	(\$22,702)	\$233,125
FY 2017/18 SLES Growth Funds	\$0	\$111,748	\$111,748
<u>Reserves</u>			
FY 2017/18 Fund Balance	\$4,309	(\$4,309)	\$0
<u>Expenditures</u>			
FY 2018/19 Program 475 - Investigation	\$255,827	\$0	\$255,827
Services			
New Project - FY 2018/19 Police Services	\$0	\$93,355	\$93,355
Special Project (SLES)			

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

Approve Budget Modification No. 22 to appropriate \$93,355 in Supplemental Law Enforcement Services funding to support sworn overtime costs and the purchase of identified police services equipment.

Prepared by: Nancy M. Thome, Senior Management Analyst

Reviewed by: Phan S. Ngo, Director of Public Safety

Reviewed by: Timothy J. Kirby, Director of Finance

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager



City of Sunnyvale

Agenda Item

19-0185

Agenda Date: 2/26/2019

REPORT TO COUNCIL

SUBJECT

Annual Review and Approval of City's Code of Ethics and Conduct for Elected and Appointed Officials

DISCUSSION

This report represents Council's annual opportunity to review and revise the City's Code of Ethics and Conduct for Elected and Appointed Officials (hereafter referred to as "the Code").

The Code contains a section on ethical standards and a section on conduct which describes the way officials should treat one another, City staff, constituents, and others with whom they may come in contact with while representing the City.

No changes to the Code are proposed by staff. The City's boards and commissions that meet on a regular basis completed their annual review of the Code during the months of November and December of 2018, and January 2019. The Board of Building Code Appeals and the Personnel Board, which meet only on an as-needed basis, will review the Code at a future meeting yet to be scheduled.

The Planning Commission made the following recommendation by unanimous approval:

Vice Chair Simons moved and Commissioner Howe seconded the motion to approve the Annual Review of the Code of Ethics and Conduct for Elected and Appointed Officials (Code of Ethics) with a recommendation to shorten the document to no more than three pages and include an addendum of errata.

No other specific suggestions from Boards and Commissions were made to revise the Code.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378 (b) (5) in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes in the environment.

EXISTING POLICY

2018 Code of Ethics and Conduct for Elected and Appointed Officials

FISCAL IMPACT

There is no fiscal impact associated with this report.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

Review and approve the 2019 Code of Ethics and Conduct for Elected and Appointed Officials with no changes from the 2018 Code as set forth in Attachment 1 of the report.

Prepared by: Kathleen Franco Simmons, City Clerk

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager

ATTACHMENT

1. Proposed 2019 Code of Ethics and Conduct for Elected and Appointed Officials
2. Excerpt of Arts Commission Minutes
3. Excerpt of Bicycle and Pedestrian Advisory Commission (BPAC) Minutes
4. Excerpt of Board of Library Trustees Minutes
5. Excerpt of Heritage Preservation Commission Minutes
6. Excerpt of Housing and Human Services Commission Minutes
7. Excerpt of Parks and Recreation Commission Minutes
8. Excerpt of Personnel Board Minutes
9. Excerpt of Planning Commission Minutes
10. Excerpt of Sustainability Commission Minutes



City of Sunnyvale

**~~2018~~2019 Code of Ethics and Conduct for
Elected and Appointed Officials**

"Conduct is three-fourths of our life and its largest concern."

-- Matthew Arnold

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For ease of reference in the Code of Ethics and Conduct, the term "member" refers to any member of the Sunnyvale City Council or the City's boards and commissions established by the City Charter, City Ordinance or Council policy.

Policy Purpose

The Sunnyvale City Council has adopted a Code of Ethics and Conduct for members of the City Council and the City's boards and commissions to assure public confidence in the integrity of local government and its effective and fair operation.

A. ETHICS

The citizens and businesses of Sunnyvale are entitled to have fair, ethical and accountable local government which has earned the public's full confidence for integrity. In keeping with the City of Sunnyvale Commitment to Excellence, the effective functioning of democratic government therefore requires that:

- public officials, both elected and appointed, comply with both the letter and spirit of the laws and policies affecting the operations of government;
- public officials be independent, impartial and fair in their judgment and actions;
- public office be used for the public good, not for personal gain; and
- public deliberations and processes be conducted openly, unless legally confidential, in an atmosphere of respect and civility.

To this end, the Sunnyvale City Council has adopted a Code of Ethics and Conduct for members of the City Council and of the City's boards and commissions to assure public confidence in the integrity of local government and its effective and fair operation. The Ethics section of the City's Code of Ethics and Conduct provides guidance on ethical issues and questions of right and wrong.

1. Act in the Public Interest. Recognizing that stewardship of the public interest must be their primary concern, members will work for the common good of the people of Sunnyvale and not for any private or personal interest, and they will assure fair and equal treatment of all persons, claims and transactions coming before the Sunnyvale City Council, boards and commissions.
2. Comply with both the spirit and the letter of the Law and City Policy. Members shall comply with the laws of the nation, the State of California and the City of Sunnyvale in the performance of their public duties. These laws include, but are not limited to: the United States and California constitutions; the Sunnyvale City Charter; laws pertaining to conflicts of interest, election campaigns, financial disclosures, employer responsibilities, and open processes of government; and City ordinances and policies.
3. Conduct of Members. The professional and personal conduct of members must be above reproach and avoid even the appearance of impropriety. Members shall refrain from abusive conduct, personal charges or verbal attacks upon the character or motives of other members of Council, boards and commissions, the staff or public.
4. Respect for Process. Members shall perform their duties in accordance with the processes and rules of order established by the City Council and board and commissions governing the deliberation of public policy issues, meaningful involvement of the public, and implementation of policy decisions of the City Council by City staff.

For ease of reference in the Code of Ethics and Conduct, the term "member" refers to any member of the Sunnyvale City Council or the City's boards and commissions established by the City Charter, City Ordinance or Council policy.

5. Conduct of Public Meetings. Members shall prepare themselves for public issues; listen courteously and attentively to all public discussions before the body; and focus on the business at hand. They shall refrain from interrupting other speakers; making personal comments not germane to the business of the body; or otherwise interfering with the orderly conduct of meetings.
6. Decisions Based on Merit. Members shall base their decisions on the merits and substance of the matter at hand, rather than on unrelated considerations.
7. Communication. Members shall publicly disclose substantive information that is relevant to a matter under consideration by the Council or boards and commissions, which they may have received from sources outside of the public decision-making process.
8. Conflict of Interest. In order to assure their independence and impartiality on behalf of the common good, members shall not use their official positions to influence government decisions in which they have a material financial interest, or where they have an organizational responsibility or personal relationship which may give the appearance of a conflict of interest. In accordance with the law, members shall disclose investments, interests in real property, sources of income, and gifts; and they shall abstain from participating in deliberations and decision-making where conflicts may exist.
9. Gifts and Favors. Members shall not take any special advantage of services or opportunities for personal gain, by virtue of their public office, that are not available to the public in general. They shall refrain from accepting any gifts, favors or promises of future benefits which might compromise their independence of judgment or action or give the appearance of being compromised.
10. Confidential Information. Members shall respect the confidentiality of information concerning the property, personnel or affairs of the City. They shall neither disclose confidential information without proper legal authorization, nor use such information to advance their personal, financial or other private interests.
11. Use of Public Resources. Members shall not use public resources not available to the public in general, such as City staff time, equipment, supplies or facilities, for private gain or personal purposes.
12. Representation of Private Interests. In keeping with their role as stewards of the public interest, members of Council shall not appear on behalf of the private interests of third parties before the Council or any board, commission or proceeding of the City, nor shall members of boards and commissions appear before their own bodies or before the Council on behalf of the private interests of third parties on matters related to the areas of service of their bodies.
13. Advocacy. Members shall represent the official policies or positions of the City Council, board or commission to the best of their ability when designated as delegates for this purpose. When presenting their individual opinions and positions, members shall explicitly state they do not represent their body or the City of Sunnyvale, nor will they allow the inference that they do.

For ease of reference in the Code of Ethics and Conduct, the term "member" refers to any member of the Sunnyvale City Council or the City's boards and commissions established by the City Charter, City Ordinance or Council policy.

Councilmembers and board and commission members have the right to endorse candidates for all Council seats or other elected offices. It is inappropriate to mention or display endorsements during Council meetings, board/commission meetings, or other official City meetings.

14. **Policy Role of Members.** Members shall respect and adhere to the council-manager structure of Sunnyvale City government as outlined by the Sunnyvale City Charter. In this structure, the City Council determines the policies of the City with the advice, information and analysis provided by the public, boards and commissions, and City staff. Except as provided by the City Charter, members therefore shall not interfere with the administrative functions of the City or the professional duties of City staff; nor shall they impair the ability of staff to implement Council policy decisions.
15. **Independence of boards and commissions.** Because of the value of the independent advice of boards and commissions to the public decision-making process, members of Council shall refrain from using their position to unduly influence the deliberations or outcomes of board and commission proceedings.
16. **Positive Work Place Environment.** Members shall support the maintenance of a positive and constructive work place environment for City employees and for citizens and businesses dealing with the City. Members shall recognize their special role in dealings with City employees to in no way create the perception of inappropriate direction to staff.

B. CONDUCT

The Conduct section of the City's Code of Ethics and Conduct is designed to describe the manner in which Councilmembers and board and commission members should treat one another, City staff, constituents, and others they come into contact with in representing the City of Sunnyvale. It reflects the work of a Council Policy and Protocol Subcommittee that was charged with defining more clearly the behavior, manners, and courtesies that are suitable for various occasions. The Subcommittee also considered a wide variety of policy changes and clarifications designed to make public meetings and the process of governance run more smoothly.

The constant and consistent theme through all of the conduct guidelines is "respect." Councilmembers experience huge workloads and tremendous stress in making decisions that could impact thousands of lives. Despite these pressures, elected and appointed officials are called upon to exhibit appropriate behavior at all times. Demonstrating respect for each individual through words and actions is the touchstone that can help guide Councilmembers and board and commission members to do the right thing in even the most difficult situations.

1. Elected and Appointed Officials' Conduct with One Another

"In life, courtesy and self-possession, and in the arts, style, are the sensible impressions of the free mind, for both arise out of a deliberate shaping of all things and from never being swept away, whatever the emotion, into confusion or dullness."

-- William Butler Yeats

For ease of reference in the Code of Ethics and Conduct, the term "member" refers to any member of the Sunnyvale City Council or the City's boards and commissions established by the City Charter, City Ordinance or Council policy.

Elected and appointed officials are composed of individuals with a wide variety of backgrounds, personalities, values, opinions, and goals. Despite this diversity, all have chosen to serve in public office in order to preserve and protect the present and the future of the community. In all cases, this common goal should be acknowledged even though individuals may "agree to disagree" on contentious issues.

1(a). In Public Meetings

Use formal titles

Elected and appointed officials should refer to one another formally during public meetings, such as Mayor, Vice Mayor, Chair, Commissioner or Councilmember followed by the individual's last name.

Practice civility and decorum in discussions and debate

Difficult questions, tough challenges to a particular point of view, and criticism of ideas and information are legitimate elements of a free democracy in action. This does not allow, however, public officials to make belligerent, personal, impertinent, slanderous, threatening, abusive, or disparaging comments. No shouting or physical actions that could be construed as threatening will be tolerated.

Honor the role of the chair in maintaining order

It is the responsibility of the chair to keep the comments of members on track during public meetings. Members should honor efforts by the chair to focus discussion on current agenda items. If there is disagreement about the agenda or the chair's actions, those objections should be voiced politely and with reason, following procedures outlined in parliamentary procedure.

Avoid personal comments that could offend other members

If a member is personally offended by the remarks of another member, the offended member should make notes of the actual words used and call for a "point of personal privilege" that challenges the other member to justify or apologize for the language used. The chair will maintain control of this discussion.

Demonstrate effective problem-solving approaches

Members have a public stage to show how individuals with disparate points of view can find common ground and seek a compromise that benefits the community as a whole.

Outside of official board or commission meetings, individual board and commission members are not authorized to represent the City or their board or commission unless specifically designated by the Council or the board or commission to do so for a particular purpose. In private settings, board and commission members may communicate at any time and on any subject with individual members of the City Council, and may express to them individual viewpoints and opinions. In public, however, all members shall represent the official policies or positions of their board or commission, with the following exception. During a Council public hearing on any item addressed by the board or commission, any member may speak under standard time limits, but shall indicate whether their testimony represents an official position (majority opinion) or a minority opinion of the board/commission to which they belong. The chair shall represent the majority view of the

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board or commission, but may report on any minority views as well, including his or her own. When an official board or commission position differs from staff's recommendation on a particular policy issue, then at the Mayor's discretion additional time may be provided to the chair of the board or commission (or his/her designee) to explain the position of the board/commission or to rebut statements made by staff or the public. If new information is brought to light during a public hearing which was not shared previously with the board or commission, the Mayor may allow the board or commission chair to respond. If the Council deems the new information sufficient to warrant additional study, then by majority vote Council may remand the issue back to the board or commission for further study prior to taking other action itself.

Individual opinions and positions may be expressed by board and commission members regarding items that have not come before the particular board/commission to which they belong. When presenting their individual opinions and positions, members shall explicitly state they do not represent their body or the City of Sunnyvale, nor will they allow the inference that they do.

Although a board or commission may disagree with the final decision the Council makes, the board or commission shall not act in any manner contrary to the established policy adopted by the Council.

1(b). In Private Encounters

Continue respectful behavior in private

The same level of respect and consideration of differing points of view that is deemed appropriate for public discussions should be maintained in private conversations.

Be aware of the insecurity of written notes, voicemail messages, and E-mail

Technology allows words written or said without much forethought to be distributed wide and far. Would you feel comfortable to have this note faxed to others? How would you feel if this voicemail message were played on a speaker phone in a full office? What would happen if this E-mail message were forwarded to others? Written notes, voicemail messages and e-mail should be treated as potentially "public" communication.

Even private conversations can have a public presence

Elected and appointed officials are always on display – their actions, mannerisms, and language are monitored by people around them that they may not know. Lunch table conversations will be eavesdropped upon, parking lot debates will be watched, and casual comments between individuals before and after public meetings noted.

In private, board and commission members may communicate at any time and on any subject with the City Council, and may express to Council individual viewpoints and opinions.

2. Elected and Appointed Officials' Conduct with City Staff

"Never let a problem become an excuse."

-- Robert Schuller

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Governance of a City relies on the cooperative efforts of elected officials, who set policy, appointed officials who advise the elected, and City staff who implements and administers the Council's policies. Therefore, every effort should be made to be cooperative and show mutual respect for the contributions made by each individual for the good of the community.

Treat all staff as professionals

Clear, honest communication that respects the abilities, experience, and dignity of each individual is expected. Poor behavior towards staff is not acceptable.

Member questions/inquiries to City staff

1. General. Council and board/commission communications with City staff should be limited to normal City business hours unless the circumstances warrant otherwise. Responses to Council questions posed outside of normal business hours should be expected no earlier than the next business day.
2. Routine Requests for Information and Inquiries. Members may contact staff directly for information made readily available to the general public on a regular basis (e.g., "What are the library's hours of operation?" or "How does one reserve a tee time at the golf course?"). Under these circumstances staff shall treat the member no differently than they would the general public, and the member shall not use their elected status to secure preferential treatment. The city manager does not need to be advised of such contacts.
3. Non-Routine Requests for Readily Available Information. Members may also contact staff directly for easily retrievable information not routinely requested by the general public so long as it does not require staff to discuss the issue or express an opinion (e.g., "How many traffic lights are there in the City?" or "Under what circumstances does the City lower its flags to half mast?").
4. Non-Routine Requests Requiring Special Effort. Any member request or inquiry that requires staff to compile information that is not readily available or easily retrievable and/or that requests staff to express an opinion (legal or otherwise) must be directed to the city manager, or to the city attorney, as appropriate (e.g., "How many Study Issues completed over the past five years have required 500 or more hours of staff time?", or "What is the logic behind the City's sign ordinances affecting businesses along El Camino Real?"). The city manager (or city attorney as appropriate) shall be responsible for distributing such requests to his/her staff for follow-up. Responses to such requests shall be copied to all Councilmembers (if originating from a Councilmember), relevant board or commission members (if originating from a board or commission member), the city manager, the city attorney as appropriate and affected department directors.
5. Meeting Requests. Any member request for a meeting with staff must be directed to the city manager or city attorney, as appropriate.
6. Public Safety Restrictions. Under certain circumstances, requests for information regarding operations or personnel of the Department of Public Safety may be legally restricted. Applicable statutes include: The Peace Officers' Procedural Bill of Rights (California Government Code

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Section 3300, et seq.), Confidentiality of Peace Officer Records (California Penal Code Section 832.5-7), and a number of exceptions to the California Public Records Act, defined in Government Code Section 6254. Providing information in response to such requests could violate the law, and might also violate due process rights that have been defined for peace officers in the State of California. Accordingly, it shall be the policy of the City of Sunnyvale to strictly comply with all applicable legal authorities governing the release of Department of Public Safety information and records.

Do not disrupt City staff from their jobs

Elected and appointed officials should not disrupt City staff while they are in meetings, on the phone, or engrossed in performing their job functions in order to have their individual needs met. Do not attend City staff meetings unless requested by staff – even if the elected or appointed official does not say anything, his or her presence implies support, shows partiality, intimidates staff, and hampers staff's ability to do their job objectively.

Never publicly criticize an individual employee

Elected and appointed officials should never express concerns about the performance of a City employee in public, to the employee directly, or to the employee's manager. Comments about staff performance should only be made to the city manager through private correspondence or conversation. Comments about staff in the office of the city attorney should be made directly to the city attorney. Appointed officials should make their comments regarding staff to the city manager or the Mayor.

Do not get involved in administrative functions

Elected and appointed officials must not attempt to influence City staff on the making of appointments, awarding of contracts, selecting of consultants, processing of development applications, or granting of City licenses and permits. [See Code of Ethics] The Sunnyvale City Charter, Section 807, also contains information about the prohibition of Council interference in administrative functions.

Check with City staff on correspondence before taking action

Before sending correspondence, Councilmembers should check with City staff to see if an official City response has already been sent or is in progress. Board and commission members shall not send correspondence except as authorized under the City's policies governing volunteers. (Council Policy 7.2.19, Boards and Commissions.)

Limit requests for staff support

Routine secretarial support will be provided to all Councilmembers. The Council Executive Assistant opens all mail for Councilmembers, unless a Councilmember requests other arrangements. Mail addressed to the Mayor is reviewed first by the city manager who notes suggested action and/or follow-up items.

Requests for additional staff support – even in high priority or emergency situations – should be made to the city manager who is responsible for allocating City resources in order to maintain a professional, well-run City government.

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Do not solicit political support from staff

Elected and appointed officials should not solicit any type of political support (financial contributions, display of posters or lawn signs, name on support list, etc.) from City staff. City staff may, as private citizens with constitutional rights, support political candidates but all such activities must be done away from the workplace.

3. Elected and Appointed Officials' Conduct with the Public

"If a man be gracious and courteous to strangers, it shows he is a citizen of the world, and that his heart is no island cut off from other lands, but a continent that joins to them."

-- Francis Bacon

3(a). In Public Meetings

Making the public feel welcome is an important part of the democratic process. No signs of partiality, prejudice or disrespect should be evident on the part of individual members toward an individual participating in a public forum. Every effort should be made to be fair and impartial in listening to public testimony.

Be welcoming to speakers and treat them with care and gentleness. While questions of clarification may be asked, the official's primary role during public testimony is to listen.

"I give many public presentations so standing up in front of a group and using a microphone is not new to me. But I found that speaking in front of Council was an entirely different experience. I was incredibly nervous and my voice was shaking. I think the reason was because the issue was so personal to me. The Council was going to take a vote that would affect my family's daily life and my home. I was feeling a lot of emotion. The way that Council treats people during public hearings can do a lot to make them relax or to push their emotions to a higher level of intensity."

Be fair and equitable in allocating public hearing time to individual speakers.

"The first thing the Mayor said to me was to be brief because the meeting was running late and the Council was eager to go home. That shouldn't be my problem. I'm sorry my item was at the end of the agenda and that there were a lot of speakers, but it is critically important to me and I should be allowed to say what I have to say and believe that the Council is listening to me."

The chair will determine and announce limits on speakers at the start of the public hearing process. Questions should not be asked for the express purpose of allowing one speaker to evade the time limit imposed on all others (e.g., "Was there something else you wanted to say?"). Generally, each speaker will be allocated three minutes with applicants and appellants or their designated representatives allowed ten. If many speakers are anticipated, the chair may shorten the time limit and/or ask speakers to limit themselves to new information and points of view not already covered by previous speakers.

No speaker will be turned away unless he or she exhibits inappropriate behavior. Each speaker may only speak once during the public hearing unless the chair requests additional clarification later in the process. After the close of the public hearing, no more public testimony will be accepted unless the chair reopens the public hearing for a limited and specific purpose.

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Give the appearance of active listening

It is disconcerting to speakers to have members not look at them when they are speaking. It is fine to look down at documents or to make notes, but reading for a long period of time or gazing around the room gives the appearance of disinterest. Be aware of facial expressions, especially those that could be interpreted as "smirking," disbelief, anger or boredom.

Maintain an open mind

Members of the public deserve an opportunity to influence the thinking of elected and appointed officials. To express an opinion or pass judgment prior to the close of a public hearing casts doubt on a member's ability to conduct a fair review of the issue. This is particularly important when officials are serving in a quasi-judicial capacity.

Ask for clarification, but avoid debate and argument with the public

Only the chair – not individual members – can interrupt a speaker during a presentation. However, a member can ask the chair for a point of order if the speaker is off the topic or exhibiting behavior or language the member finds disturbing.

If speakers become flustered or defensive by questions, it is the responsibility of the chair to calm and focus the speaker and to maintain the order and decorum of the meeting. Questions by members to the public testifying should seek to clarify or expand information. It is never appropriate to belligerently challenge or belittle the speaker. Members' personal opinions or inclinations about upcoming votes should not be revealed until after the public hearing is closed.

No personal attacks of any kind, under any circumstance

Members should be aware that their body language and tone of voice, as well as the words they use, can appear to be intimidating or aggressive.

Follow parliamentary procedure in conducting public meetings

The city attorney serves as advisory parliamentarian for the City and is available to answer questions or interpret situations according to parliamentary procedures. The chair, subject to the appeal of the full Council or board/commission makes final rulings on parliamentary procedure.

3(b). In Unofficial Settings

Make no promises on behalf of the Council, board/commission or City

Members will frequently be asked to explain a Council or board/commission action or to give their opinion about an issue as they meet and talk with constituents in the community. It is appropriate to give a brief overview of City policy and to refer to City staff for further information. It is inappropriate to overtly or implicitly promise Council or board/commission action, or to promise City staff will do something specific (fix a pothole, remove a library book, plant new flowers in the median, etc.).

Make no personal comments about other members

It is acceptable to publicly disagree about an issue, but it is unacceptable to make derogatory comments about other members, their opinions and actions.

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Remember that despite its impressive population figures, Sunnyvale is a small town at heart. Members are constantly being observed by the community every day that they serve in office. Their behaviors and comments serve as models for proper deportment in the City of Sunnyvale. Honesty and respect for the dignity of each individual should be reflected in every word and action taken by members, 24 hours a day, seven days a week. It is a serious and continuous responsibility.

4. Council Conduct with Other Public Agencies

*"Always do right. This will gratify some people and astonish the rest."
-- Mark Twain*

Be clear about representing the City or personal interests

When representing the City, the Councilmember must support and advocate the official City position on an issue, not a personal viewpoint. Outside of official board or commission meetings, board and commission members are not authorized to represent the City or their board or commission unless specifically designated by the Council or the board or commission to do so for a particular purpose.

When representing another organization whose position is different from the City, the Councilmember should withdraw from voting on the issue if it significantly impacts or is detrimental to the City's interest. Councilmembers should be clear about which organizations they represent and inform the Mayor and Council of their involvement.

Correspondence also should be equally clear about representation

City letterhead may be used when the Councilmember is representing the City and the City's official position. A copy of official correspondence should be given to the Council Executive Assistant to be filed in the Council Office as part of the permanent public record.

City letterhead should not be used for non-City business nor for correspondence representing a dissenting point of view from an official Council position.

5. Council Conduct with Boards and Commissions

*"We rarely find that people have good sense unless they agree with us."
--Francois, Duc de La Rochefoucauld*

The City has established several boards and commissions as a means of gathering more community input. Citizens who serve on boards and commissions become more involved in government and serve as advisors to the City Council. They are a valuable resource to the City's leadership and should be treated with appreciation and respect.

If attending a board or commission meeting, be careful to only express personal opinions

Councilmembers may attend any board or commission meeting, which are always open to any member of the public. However, they should be sensitive to the way their participation especially if it is on behalf of an individual, business or developer -- could be viewed as unfairly affecting the process. Any public comments by a Councilmember at a board or commission meeting should be

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clearly made as individual opinion and not a representation of the feelings of the entire City Council.

Limit contact with board and commission members to questions of clarification

It is inappropriate for a Councilmember to contact a board or commission member to lobby on behalf of an individual, business, or developer, and vice versa. It is acceptable for Councilmembers to contact board or commission members in order to clarify a position taken by the board or commission.

Remember that boards and commissions serve the community, not individual Councilmembers

The City Council appoints individuals to serve on boards and commissions, and it is the responsibility of boards and commissions to follow policy established by the Council. But board and commission members do not report to individual Councilmembers, nor should Councilmembers feel they have the power or right to threaten board and commission members with removal if they disagree about an issue. Appointment and re-appointment to a board or commission should be based on such criteria as expertise, ability to work with staff and the public, and commitment to fulfilling official duties. A board or commission appointment should not be used as a political "reward."

Be respectful of diverse opinions

A primary role of boards and commissions is to represent many points of view in the community and to provide the Council with advice based on a full spectrum of concerns and perspectives. Councilmembers may have a closer working relationship with some individuals serving on boards and commissions, but must be fair and respectful of all citizens serving on boards and commissions.

Keep political support away from public forums

Board and commission members may offer political support to a Councilmember, but not in a public forum while conducting official duties. Conversely, Councilmembers may support board and commission members who are running for office, but not in an official forum in their capacity as a Councilmember.

6. Conduct with the Media

"Keep them well fed and never let them know that all you've got is a chair and a whip."

-- Lion Tamer School

Board and commission members are not authorized to represent the City outside of official board/commission meetings unless specifically authorized to do so.

Councilmembers are frequently contacted by the media for background and quotes.

The best advice for dealing with the media is to never go "off the record"

Most members of the media represent the highest levels of journalistic integrity and ethics, and can be trusted to keep their word. But one bad experience can be catastrophic. Words that are not said cannot be quoted.

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The Mayor is the official spokesperson for the City on City positions.

The Mayor is the designated representative of the Council to present and speak on the official City position. If an individual Councilmember is contacted by the media, the Councilmember should be clear about whether their comments represent the official City position or a personal viewpoint.

Choose words carefully and cautiously

Comments taken out of context can cause problems. Be especially cautious about humor, sardonic asides, sarcasm, or word play. It is never appropriate to use personal slurs or swear words when talking with the media.

C. SANCTIONS

*"You cannot have a proud and chivalrous spirit if your conduct is mean and paltry;
for whatever a man's actions are, such must be his spirit."*

-- Demosthenes

Model of Excellence

City Councilmembers, Board and Commission Members, and Council appointees who do not sign the Model of Excellence (Appendix A) shall be ineligible for intergovernmental assignments or Council subcommittees.

Ethics Training for Local Officials

City Councilmembers, Board and Commission Members, and Council appointees who are out of compliance with State- or City-mandated requirements for ethics training shall not represent the City on intergovernmental assignments or Council sub-committees, and may be subject to sanctions.

Public Disruption

Members of the public who do not follow proper conduct after a warning in a public hearing may be barred from further testimony at that meeting or removed from the Council Chambers.

Inappropriate Staff Behavior

Councilmembers should refer to the city manager any City staff or to the city attorney any City Attorney's staff who do not follow proper conduct in their dealings with Councilmembers, other City staff, or the public. These employees may be disciplined in accordance with standard City procedures for such actions. (Please refer to the section on Council Conduct with City Staff for more details on interaction with Staff.)

Councilmembers Behavior and Conduct

Compliance and Enforcement. The Sunnyvale Code of Ethics and Conduct expresses standards of ethical conduct expected for members of the Sunnyvale City Council, boards and commissions. Members themselves have the primary responsibility to assure that ethical standards are understood and met, and that the public can continue to have full confidence in the integrity of government. The chairs of boards and commissions and the Mayor and Council have the additional responsibility to

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intervene when actions of members that appear to be in violation of the Code of Ethics and Conduct are brought to their attention.

City Councilmembers who intentionally and repeatedly do not follow proper conduct may be reprimanded or formally censured by the Council, lose seniority or committee assignments (both within the City of Sunnyvale or with inter-government agencies) or have official travel restricted. Serious infractions of the Code of Ethics or Code of Conduct could lead to other sanctions as deemed appropriate by Council.

Councilmembers should point out to the offending Councilmember infractions of the Code of Ethics and Conduct. If the offenses continue, then the matter should be referred to the Mayor in private. If the Mayor is the individual whose actions are being challenged, then the matter should be referred to the Vice Mayor.

It is the responsibility of the Mayor to initiate action if a Councilmember's behavior may warrant sanction. If no action is taken by the Mayor, the alleged violation(s) can be brought up with the full Council in a public meeting.

Board and Commission Members Behavior and Conduct

Counseling, verbal reprimands and written warnings may be administered by the Mayor to board and commission members failing to comply with City policy. These lower levels of sanctions shall be kept private to the degree allowed by law. Copies of all written reprimands administered by the Mayor shall be distributed in memo format to the chair of the respective board or commission, the city clerk, the city attorney, the city manager, and the City Council. Written reprimands administered by the Mayor shall not be included in packets for public meetings and shall not be publicized except as required under the Public Records Act.

The City Council may impose sanctions on board and commission members whose conduct does not comply with the City's policies, up to and including removal from office. Any form of discipline imposed by Council shall be determined by a majority vote of at least a quorum of the Council at a noticed public meeting and such action shall be preceded by a Report to Council with supporting documentation. The Report to Council shall be distributed in accordance with normal procedures, including hard copies to numerous public facilities and posting online. Any Report to Council addressing alleged misconduct by a board or commission member shall be routed through the Office of the city attorney for review of whether any information is exempt from disclosure (subject to redaction) based on privacy interests authorized under the Public Records Act.

When deemed warranted, the Mayor or majority of Council may call for an investigation of board or commission member conduct. Should the city manager or city attorney believe an investigation is warranted, they shall confer with the Mayor or Council. The Mayor or Council shall ask the city manager and/or the city attorney to investigate the allegation and report the findings.

The results of any such investigation shall be provided to the full Council in the form of a Report to Council, and shall be placed on the agenda of a noticed public meeting as "Information Only". Any such report shall be made public and distributed in accordance with normal procedures (i.e., hard copies to numerous public locations and posted online). Any report to Council addressing the

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investigation of board and commission members shall be routed through the Office of the City Attorney for review of whether any information is exempt from disclosure (subject to redaction) based on privacy interests authorized under the Public Records Act.

It shall be the Mayor and/or the Council's responsibility to determine the next appropriate action. Any such action taken by Council (with the exception of "take no further action") shall be conducted at a noticed public hearing. These actions include, but are not limited to: discussing and counseling the individual on the violations; placing the matter on a future public hearing agenda to consider sanctions; forming a Council ad hoc subcommittee to review the allegation, the investigation and its findings, as well as to recommend sanction options for Council consideration.

Under the City Charter, the City Council also may remove members of boards and commissions from office. A violation of this Code of Ethics and Conduct shall not be considered a basis for challenging the validity of a Council, board or commission decision.

D. PRINCIPLES OF PROPER CONDUCT

Proper conduct IS ...

- Keeping promises
- Being dependable
- Building a solid reputation
- Participating and being available
- Demonstrating patience
- Showing empathy
- Holding onto ethical principles under stress
- Listening attentively
- Studying thoroughly
- Keeping integrity intact
- Overcoming discouragement
- Going above and beyond, time and time again
- Modeling a professional manner

Proper conduct IS NOT ...

- Showing antagonism or hostility
- Deliberately lying or misleading
- Speaking recklessly
- Spreading rumors
- Stirring up bad feelings, divisiveness
- Acting in a self-righteous manner

It all comes down to respect

Respect for one another as individuals ... respect for the validity of different opinions ... respect for the democratic process ... respect for the community that we serve.

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E. CHECKLIST FOR MONITORING CONDUCT

- Will my decision/statement/action violate the trust, rights or good will of others?
- What are my interior motives and the spirit behind my actions?
- If I have to justify my conduct in public tomorrow, will I do so with pride or shame?
- How would my conduct be evaluated by people whose integrity and character I respect?
- Even if my conduct is not illegal or unethical, is it done at someone else's painful expense? Will it destroy their trust in me? Will it harm their reputation?
- Is my conduct fair? Just? Morally right?
- If I were on the receiving end of my conduct, would I approve and agree, or would I take offense?
- Does my conduct give others reason to trust or distrust me?
- Am I willing to take an ethical stand when it is called for? Am I willing to make my ethical beliefs public in a way that makes it clear what I stand for?
- Do I exhibit the same conduct in my private life as I do in my public life?
- Can I take legitimate pride in the way I conduct myself and the example I set?
- Do I listen and understand the views of others?
- Do I question and confront different points of view in a constructive manner?
- Do I work to resolve differences and come to mutual agreement?
- Do I support others and show respect for their ideas?
- Will my conduct cause public embarrassment to someone else?

F. GLOSSARY OF TERMS

attitude	The manner in which one shows one's dispositions, opinions, and feelings
behavior	External appearance or action; manner of behaving; carriage of oneself
civility	Politeness, consideration, courtesy
conduct	The way one acts; personal behavior
courtesy	Politeness connected with kindness
decorum	Suitable; proper; good taste in behavior
manners	A way of acting; a style, method, or form; the way in which things are done
point of order	An interruption of a meeting to question whether rules or bylaws are being broken, such as the speaker has strayed from the motion currently under consideration
point of personal privilege	A challenge to a speaker to defend or apologize for comments that a fellow member considers offensive
propriety	Conforming to acceptable standards of behavior
protocol	The courtesies that are established as proper and correct
respect	The act of noticing with attention; holding in esteem; courteous regard

G. IMPLEMENTATION

As an expression of the standards of conduct for members expected by the City, the Sunnyvale Code of Ethics and Conduct is intended to be self-enforcing. It therefore becomes most effective when members are thoroughly familiar with it and embrace its provisions. For this reason, this document shall be included in the regular orientations for candidates for City Council, applicants to

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board and commissions, and newly elected and appointed officials. Members entering office shall sign a statement affirming they read and understood the City of Sunnyvale Code of Ethics and Conduct. In addition, the Code of Ethics and Conduct shall be annually reviewed by the City Council, boards and commissions, and the City Council shall consider recommendations from boards and commissions and update it as necessary.

(Adopted: RTC 08-113 (4/8/08), Update: RTC 09-036 (2/3/09); Updated: RTC 09-047 (2/24/09); Approved with no changes: RTC 10-078 (3/23/10); Approved with no changes: RTC 11-058 (3/29/11); Approved with no changes: RTC 12-067 (3/20/2012); Updated: RTC 13-060 (3/19/13); Approved with no changes: RTC 14-0211 (3/18/14); RTC 15-0050 (3/24/15); RTC 16-0360 (4/5/16); RTC 17-0161 (3/28/17); RTC 18-0036 (1/9/18)

Lead Department: Office of the City Manager

APPENDIX A - Model of Excellence Member Statement

MODEL OF EXCELLENCE

Sunnyvale City Council, Boards and Commissions

MEMBER STATEMENT

As a member of the Sunnyvale City Council or of a Sunnyvale board or commission, I agree to uphold the Code of Ethics and Conduct for Elected and Appointed Officials adopted by the City and conduct myself by the following model of excellence. I will:

- Recognize the worth of individual members and appreciate their individual talents, perspectives and contributions;
- Help create an atmosphere of respect and civility where individual members, City staff and the public are free to express their ideas and work to their full potential;
- Conduct my personal and public affairs with honesty, integrity, fairness and respect for others;
- Respect the dignity and privacy of individuals and organizations;
- Keep the common good as my highest purpose and focus on achieving constructive solutions for the public benefit;
- Avoid and discourage conduct which is divisive or harmful to the best interests of Sunnyvale;
- Treat all people with whom I come in contact in the way I wish to be treated;

I affirm that I have read and understood the City of Sunnyvale Code of Ethics and Conduct for Elected and Appointed Officials.

Signature

Date

City Council Seat # ____

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Yes: 4 - Chair Vaughan
Vice Chair Eskridge
Commissioner Gluckman
Commissioner Rogers

No: 0

Absent: 1 - Commissioner Serrone

PUBLIC HEARINGS/GENERAL BUSINESS

2 [18-1109](#) Hands on the Arts Commission Project

Community Services Manager, Trenton Hill, provided a brief overview of the Commission proposed projects for the 2019 Hands on the Arts event and requested the Commission select three project ideas that they would like staff to further investigate. Staff will report back findings at a future Commission meeting so that a final project may be selected. Commissioners shared their project preferences and three project ideas were selected:

- digital canvas
- mosaic tiles
- hope flags (similar to prayer flags)

Chair Vaughan opened the item for public comment, and there being no public comment, closed the item for public comment.

3 [18-1110](#) Annual Review of Code of Ethics and Conduct for Elected and Appointed Officials

Superintendent of Community Services, Damon Sparacino, provided the Commissioners with an overview of the 2018 Code of Ethics and Conduct for Elected and Appointed Officials.

Commissioner Serrone requested guidance regarding how to appropriately respond to resident inquiries received outside of official commission meetings, events, etc. Superintendent Sparacino advised that commissioners may direct inquiries to City staff. He also advised that Commissioners presenting their individual opinions/positions shall explicitly state to resident(s) that they do not represent their body or the City of Sunnyvale.

Yes 7 - Chair Cordes
Vice Chair Bremond
Commissioner Mehlinger
Commissioner Mehلمان
Commissioner Oey
Commissioner Swail
Commissioner Welch

No 0

4. [18-1002](#) Code of Ethics

Mr. Garcia stated that the Commissioners are responsible for reading and agreeing to abide by the Code of Ethics.

Commissioner Mehlinger moved and Commissioner Mehلمان seconded the motion declaring they have read and will abide by the rules of the Code of Ethics. The motioned carried by the following vote:

Yes 7 - Chair Cordes
Vice Chair Bremond
Commissioner Mehlinger
Commissioner Mehلمان
Commissioner Oey
Commissioner Swail
Commissioner Welch

No 0

STANDING ITEM: CONSIDERATION OF POTENTIAL STUDY ISSUES

5. [18-1003](#) 2019 Proposed Study Issues

NON-AGENDA ITEMS & COMMENTS

-Commissioner Comments

Chair Cordes announced that he attended the Chair and Vice Chair Boards and Commissions meeting and hopes improvements will be made to meetings.

-Staff Comments

Mr. Garcia reminded Commissioners of the Homestead Road Corridor Safe Routes to School meeting to be held at the Homestead High School Library at 6:00 p.m. on

Yes: 5 - Chair Fong
Chair Lai
Vice Chair Bremond
Board Member Hwang
Board Member Isaak

No: 0

PUBLIC HEARINGS/GENERAL BUSINESS

- 2** [18-1007](#) Annual Review of Code of Ethics and Conduct for Elected and Appointed Officials

Director Bojorquez provided the Board with an overview of the 2018 Code of Ethics and Conduct for Elected and Appointed Officials.

Chair Fong opened the public hearing, and there being no public testimony, closed the public hearing.

- 3** [18-1022](#) Review of Library Fee Schedule (to be deferred)

Director Bojorquez informed the Board that staff will share, for Board review, the Library Fee Schedule once it has been made available by the Department of Finance.

Chair Fong opened the public hearing, and there being no public testimony, closed the public hearing.

- 4** [18-1026](#) Election of Officer(s)

Director Bojorquez congratulated Chair Fong on his appointment to serve on City Council and informed Board Members that the Board will need to select a new Chair.

Nominations were opened for Chair to the Board of Library Trustees. Board Member Bremond nominated Vice Chair Lai who accepted the nomination. No further nominations were presented.

Vote on nomination of Vice Chair Lai for Chair:



City of Sunnyvale

Meeting Minutes - Final

Heritage Preservation Commission

Wednesday, December 5, 2018

7:00 PM

West Conference Room, City Hall, 456 W.
Olive Ave., Sunnyvale, CA 94086

CALL TO ORDER

Commissioner Michitaka called the meeting to order.

SALUTE TO THE FLAG

Commissioner Michitaka led the salute to the flag.

ROLL CALL

Present: 5 - Commissioner Mike Michitaka
Commissioner Kenneth Valenzuela
Commissioner David Wu
Commissioner Steve Caroompas
Commissioner Shanna Gaudenti

Absent: 2 - Chair Dawn Hopkins
Vice Chair Dixie Larsen

PUBLIC HEARINGS/GENERAL BUSINESS

[56](#) Annual Review of the Code of Ethics and Conduct for Elected and Appointed Officials

Commissioners acknowledged the Code of Ethics and Conduct for Elected and Appointed Officials.



City of Sunnyvale

Meeting Minutes - Final *(excerpt)* Housing and Human Services Commission

Wednesday, September 19, 2018

7:00 PM

West Conference Room, City Hall, 456 W.
Olive Ave., Sunnyvale, CA 94086

Special Meeting

3 [18-0744](#) Annual Review of the City Code of Ethics and Conduct

Director Ryan noted that this item is a regular annual reminder to review the Code of Ethics and Conduct, and noted that no formal action is needed by the Commissioners unless they would like to ask for clarification or suggest any changes to the code.

There were no questions, comments or suggestions on this item.

comments, he closed the item for public comment.

Chair Kenton returned to the regular agenda schedule.

- 2** [18-0033](#) Annual Review of Code of Ethics and Conduct for Elected and Appointed Officials

Superintendent of Community Services, Damon Sparacino, provided the Commissioners with an overview of the 2018 Code of Ethics and Conduct for Elected and Appointed Officials.

Chair Kenton asked for clarification with having Commissioners attend meetings and/or events at the same time and if that would constitute a quorum requiring Commissioners excusing themselves from the meeting/event.

Superintendent of Community Services, Damon Sparacino will request clarification from the City Clerk and will report back to the Commission.

Chair Kenton opened the item for public comment, and there being no public comment, he closed the item for public comment.

STANDING ITEM: CONSIDERATION OF POTENTIAL STUDY ISSUES

None.

NON-AGENDA ITEMS & COMMENTS

-Commissioner Comments

Chair Kenton gave an overview on the joint study session between Council and Board/Commission Chairs and Vice Chairs on November 13, 2018. He also spoke about the Council Subcommittee Board/Commission Bylaws meeting he attended on December 11, 2018. The Subcommittee reviewed the feedback received from the joint study session and will make recommendations for Council action.

-Staff Comments

Superintendent of Parks and Golf, Jim Stark, gave an update on the Fair Oaks Park project and Capital Improvements Projects.

Superintendent of Community Services, Damon Sparacino, reminded the Commissioners to submit a playground option for Murphy Park. The final concept

Yes: 3 - Board Member Brown
Board Member Schmidt
Board Member Selan

No: 0

Absent: 1 - Board Member Reguerin

Abstain: 1 - Board Member Lugani

GENERAL BUSINESS

2. [19-0181](#) Annual Review of Code of Ethics and Conduct for Elected and Appointed Officials

Director of Human Resources, Tina Murphy, presented the 2018 Code of Ethics for Elected and Appointed Officials to the Personnel Board and stated no proposed changes for 2019. The Code of Ethics for Elected and Appointed Officials would be reviewed by City Council on February 26, 2019.

The Personnel Board acknowledged the Code of Ethics and Conduct for Elected and Appointed Officials.

3. [19-0182](#) Selection of Chair and Vice Chair

Nominations were opened for Chair to the Personnel Board.

MOTION: Board Member Patti Selan nominated Vice Chair Justin Brown as Chair. Board Member Barbara Schmidt seconded the nomination. No further nominations were presented.

Vice Chair Brown accepted the nomination as Chair.

Vote on nomination for Chair:

Yes: 4 - Board Member Brown
Board Member Schmidt
Board Member Selan
Board Member Lugani

No: 0

Absent: 1 - Board Member Reguerin

CONSENT CALENDAR**1. A** [18-1042](#) Approve the 2019 Planning Commission Annual Work Plan

Vice Chair Simons moved and Commissioner Howe seconded the motion to approve the 2019 Planning Commission Annual Work Plan with a recommendation to add the Planning Commissioners Academy and the Joint Meeting of City Council with Board and Commission Chairs and Vice Chairs.

The motion carried by the following vote:

Yes: 7 - Commissioner Weiss
 Chair Howard
 Commissioner Howe
 Commissioner Olevson
 Vice Chair Simons
 Commissioner Rheaume
 Commissioner Harrison

No: 0

1. B [18-1100](#) Annual Review of the Code of Ethics and Conduct for Elected and Appointed Officials

Vice Chair Simons moved and Commissioner Howe seconded the motion to approve the Annual Review of the Code of Ethics and Conduct for Elected and Appointed Officials (Code of Ethics) with a recommendation to shorten the document to no more than three pages and include an addendum of errata.

Vice Chair Simons stated an opinion that the Code of Ethics is likely not being read due to the length. Vice Chair Simons asked for consideration to trim the content and concentrate on the mission. Vice Chair Simons commented on the extremity of the content of the Code of Ethics in other cities.

Commissioner Harrison asked staff about decisions made based on the merit and substance of a proposed project. Senior Assistant City Attorney Rebecca Moon advised that this is part of the Code of Ethics and stated that every application

PLANNING COMMISSION MINUTES EXCERPT

Planning Commission

Meeting Minutes - Final

December 10, 2018

should be heard solely on the merits of that application.

The motion carried by the following vote:

Yes: 7 - Commissioner Weiss
Chair Howard
Commissioner Howe
Commissioner Olevson
Vice Chair Simons
Commissioner Rheaume
Commissioner Harrison

No: 0

PUBLIC HEARINGS/GENERAL BUSINESS

[19-0162](#) Annual Review of Code of Ethics and Conduct for Elected and Appointed Officials

Nupur Hiremath, Environmental Programs Manager, stated that the Commissioners are responsible for reading and agreeing to abide by the Code of Ethics and Conduct for Elected and Appointed Officials (hereafter, Code of Ethics).

Commissioner Kunz moved, and Commissioner Zornetzer seconded, seconded a motion declaring they have read and will abide by the rules of the Code of Ethics. The motioned carried by the following vote:

Yes: 6 - Chair Paton
 Vice Chair Wickham
 Commissioner Hafeman
 Commissioner Kunz
 Commissioner Joesten
 Commissioner Zornetzer

No: 0

Absent: 1 - Commissioner Padgett



City of Sunnyvale

Agenda Item

19-0159

Agenda Date: 2/26/2019

REPORT TO COUNCIL

SUBJECT

Adopt a Resolution to Summarily Vacate a Slope Easement at 830 E. El Camino Real and 810 E. El Camino Real

BACKGROUND

In 1972, a 10-foot wide slope easement along the northeasterly edge of 830 E. El Camino Real and 810 E. El Camino Real, was dedicated to the City for public use as shown on Instrument 4373881, Book C073, Page 181, Official Records with the Santa Clara County Recorder's office (Attachment 1).

During the review of the proposed site redevelopment, staff identified that the existing slope easement is not needed for roadway purposes and is not consistent with the current streetscape configuration. On April 24, 2017, the City Planning Commission conditionally approved a special development permit (2016-7898) for a new 127-room, four story hotel with underground parking garage and associated site improvements on a 1.49-acre parcel (the "Project"). Per the Project Conditions of Approval (EP-4 in Attachment 3), implementation of this project requires abandoning the subject slope easement by summary vacation in accordance with California Streets and Highways Code.

EXISTING POLICY

General Plan, Chapter 3, Goal LT-4 - Quality Neighborhoods and Districts
Policy LT4-4: Preserve and enhance the high quality of residential neighborhoods

ENVIRONMENTAL REVIEW

The Planning Commission found that the Project met the requirements for a Class 32 Categorical Exemption pertaining to infill development under the CEQA Guideline 15332. No further environmental analysis is required for the summary vacation.

DISCUSSION

Pursuant to California Streets and Highways Code Section 8331, the City may summarily vacate a slope easement by adopting a resolution of vacation if it finds that the slope easement has been impassable for vehicular traffic for a period of five consecutive years and no public money was expended for maintenance on the slope easement. (Attachment 2).

FISCAL IMPACT

There is no fiscal impact as a result of this slope easement vacation.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

Adopt the resolution to summarily vacate a 10-foot wide slope easement at 830 E. El Camino Real and 810 E. El Camino Real; and to authorize the City Clerk to submit a certified copy of the resolution to the Santa Clara County Recorder's office.

Prepared by: Marjorie C. Estavillo, Engineering Assistant

Reviewed by: Charles Taylor, Director, Public Works

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Santa Clara County Doc. 4373881 - Slope Easement
2. Resolution of Vacation
3. Conditions of Approval EP-4 Easement Vacation

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4373881 •

CITY OF SUNNYVALE

BOOK 0073 PAGE 181

PARCEL No. 152

GRANT DEED

SLOPE EASEMENT

hereby GRANTS to THE CITY OF SUNNYVALE, a municipal corporation of the State of California, all that real property situated in the City of Sunnyvale, County of Santa Clara, State of California, described as follows:

AN EASEMENT FOR SLOPE PURPOSES, being a strip of land 10.00 feet in width, measured at right angles, lying southerly of and contiguous to that parcel of land conveyed by deed to the City of Sunnyvale, a Municipal Corporation of the State of California by K. and H. Construction, a Corporation, said deed being recorded in Book 4759 of Official Records at Page 483 in the Office of the Recorder of Santa Clara County.

4373881

BOOK 0073 PAGE 181

Recorded at the request of
Valley Title Company

OCT 18 1972 8:00AM

George E. Fennell, Recorder
Santa Clara County, Official Records

NO FEE

DATED: February 2, 1972

Lamplighter Properties

Real Estate Equities Inc.

General Partner

President

0073

C
E

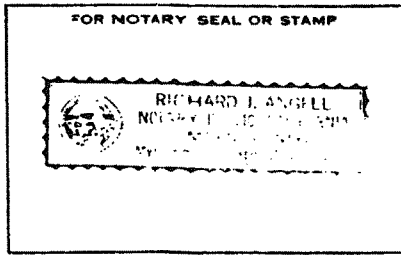
100

STATE OF CALIFORNIA
COUNTY OF Marin
On February 2, 1972, before me, the undersigned,
Notary Public in and for said County and State, personally
appeared **Scott Chandler**, known to me to
be the President, and **Richard J. Angell**, known
to me to be the Secretary of **Real
Estate Equities, Inc.**, the corporation that
executed the within instrument and known to me to be the persons
who executed the within instrument on behalf of said corporation,
said corporation being known to me to be one of the partners of
the partnership that executed the within instrument, and acknowledged
to me that such corporation executed the same as such partner
and that said partnership executed the same.

Step 1
Step 2

Richard J. Angell
Richard J. Angell
Name (Type or Print)
Notary Public in and for said County and State

0073 Page 182



0073

G
E**DIRECT ACKNOWLEDGMENT**STATE OF CALIFORNIA
COUNTY OF

1 88

REC-0073 PAGE 183

On _____ before me, the undersigned, a Notary Public in and for said County and State,
personally appeared _____
known to me to be the person whose name _____ subscribed to the within instrument and acknowledged to me that
he executed the same.
WITNESS my hand and official seal.

My Commission Expires _____

Notary Public in and for said County and State (SEAL)

WITNESS ACKNOWLEDGMENTSTATE OF CALIFORNIA
COUNTY OF

1 88

On _____ before me, the undersigned, a Notary Public in and for said County and State,
personally appeared _____
known to me to be the person whose name is subscribed to the within instrument as a witness thereto who, being duly
sworn, says that his place of residence was _____
California that he was present and saw _____ personally known to him
to be the person whose name _____ subscribed to the within instrument, execute the same, and that affiant sub-
scribed his name thereto as a witness to said execution.
WITNESS my hand and official seal.

My Commission Expires _____

Notary Public in and for said County and State (SEAL)

CORPORATE ACKNOWLEDGMENTSTATE OF CALIFORNIA
COUNTY OF

1 88

On _____ before me, the undersigned, a Notary Public in and for said County and State,
personally appeared _____
known to me to be the _____, and
_____ known to me to be the
of the corporation that executed the within instrument, and known to me to be the persons who executed the within in-
strument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same,
and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of
its board of directors.

WITNESS my hand and official seal.

My Commission Expires _____

Notary Public in and for said County and State (SEAL)

CERTIFICATE OF ACCEPTANCE

Government Code Section 27281

FOR RECORDER'S USE ONLY.

NO FEE

THIS IS TO CERTIFY that the interest in real property described in the within instrument is hereby accepted by
the undersigned officer on behalf of the City Council pursuant to authority conferred by Resolution of the City Council
adopted on February 5, 1972, and the grantee consents to recordation thereof by its duly authorized officer.

Charles H. Huppel
Mayor
THE CITY OF SUNNYVALE

When recorded, mail to:

EASTOW No.

THE CITY OF SUNNYVALE
DEPARTMENT OF GENERAL SERVICES

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF SUNNYVALE SUMMARILY VACATING A SLOPE
EASEMENT LOCATED AT 810 AND 830 E. EL CAMINO
REAL**

WHEREAS, Section 8331 of the Streets and Highways Code of the State of California authorizes the City Council to summarily vacate a slope easement if it finds that the slope easement has been impassable for vehicular traffic for a period of five consecutive years and no public money was expended for maintenance on the slope easement; and

WHEREAS, the City Council intends to summarily vacate a Slope Easement ("Easement"), as shown in Instrument 4373881, Book C073, Page 181, Official Records with the Santa Clara County Recorder's office, attached hereto as Exhibit A; and

WHEREAS, the Easement was dedicated to the City for public use, and the City no longer has a public use for the Easement; and

WHEREAS, on April 24, 2017, City Planning Commission conditionally approved a special development permit for a new 127-room, four-story hotel with underground parking garage and associated site improvements on a 1.49-acre parcel ("Project"), and since the Project is being proposed within the existing Easement, the Project requires abandonment of the Easement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUNNYVALE THAT:

1. The City of Sunnyvale finds and determines that:
 - a) The Easement has been impassable for vehicular traffic for a period of five consecutive years; and
 - b) No public money was expended for maintenance on the slope easement; and
 - c) The Easement is not needed for present or prospective easement purposes; and
 - d) The public convenience and necessity does not require reservation of any portion of the Easement.
2. Based upon the findings made in Section 1 of this Resolution and the provisions of Section 8331 of the Streets and Highways Code, the City Council does hereby order that the Easement shall be and hereby is summarily vacated.

3. The City Council hereby authorizes and directs the City Clerk to record a certified copy of the resolution, attested by the City Clerk under seal, with the Santa Clara County Recorder's Office.
4. The Easement will no longer constitute a Slope Easement from and after the date of recordation of the documents identified in Section 3 of this Resolution.

Adopted by the City Council at a regular meeting held on _____, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:
RECUSAL:

ATTEST:

APPROVED:

City Clerk
(SEAL)

Mayor

APPROVED AS TO FORM

City Attorney

4373881 •

CITY OF SUNNYVALE 890 CC73 181

PARCEL No. 152

GRANT DEED

SLOPE EASEMENT

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AN EASEMENT FOR SLOPE PURPOSES, being a strip of land 10.00 feet in width, measured at right angles, lying southerly of and contiguous to that parcel of land conveyed by deed to the City of Sunnyvale, a Municipal Corporation of the State of California by K. and H. Construction, a Corporation, said deed being recorded in Book 4759 of Official Records at Page 483 in the Office of the Recorder of Santa Clara County.

4373881

890 CC73 181

Recorded at the request of
Valley Title Company

OCT 18 1972 8:00AM

George E. Feller, Recorder
Santa Clara County, Official Records

NO FEE

DATED: February 2, 1972

Lampighter Properties

Real Estate Equities Inc.

General Partner

President

0073

G
E



STATE OF CALIFORNIA

COUNTY OF Marin

On February 2, 1972, before me, the undersigned,

a Notary Public in and for said County and State, personally

appeared **Scott Chandler**, known to me to

be the President, and

to me to be the Secretary of **Real**

Estate Equities, Inc., the corporation that

executed the within instrument and known to me to be the persons

who executed the within instrument on behalf of said corporation,

and corporation being known to me to be one of the partners of

the

partnership that executed the within instrument, and acknowledged

to me that such corporation executed the same as such partner

and that said partnership executed the same

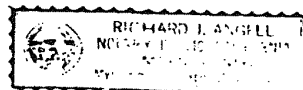
Richard J. Angell
Richard J. Angell

Name (Type or Printed)

Notary Public in and for said County and State

0073 PAGE 182

FOR NOTARY SEAL OR STAMP



0073

GE

1973

DIRECT ACKNOWLEDGMENT

STATE OF CALIFORNIA
COUNTY OF

CC73 PAGE 183

On _____ before me, the undersigned, a Notary Public in and for said County and State,
personally appeared _____
known to me to be the person _____ whose name _____
_____ subscribed to the within instrument and acknowledged to me that
_____ executed the same.
WITNESS my hand and official seal.

My Commission Expires _____

(SEAL)
Notary Public in and for said County and State

WITNESS ACKNOWLEDGMENT

STATE OF CALIFORNIA
COUNTY OF

On _____ before me, the undersigned, a Notary Public in and for said County and State,
personally appeared _____
known to me to be the person whose name is subscribed to the within instrument as a witness thereto who, being duly
sworn, says _____ that his place of residence was _____
California _____ that he was present and saw _____ personally known to him
to be the person _____ whose name _____ subscribed to the within instrument, execute the same, and that affiant sub-
scribed his name thereto as a witness to said execution.
WITNESS my hand and official seal.

My Commission Expires _____

(SEAL)
Notary Public in and for said County and State

CORPORATE ACKNOWLEDGMENT

STATE OF CALIFORNIA
COUNTY OF

On _____ before me, the undersigned, a Notary Public in and for said County and State,
personally appeared _____
known to me to be the _____
_____ and
_____ known to me to be the _____
of the corporation that executed the within instrument, and known to me to be the persons who executed the within in-
strument on behalf of the corporation therein named and acknowledged to me that such corporation executed the same,
and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of
its board of directors.

WITNESS my hand and official seal.

My Commission Expires _____

(SEAL)
Notary Public in and for said County and State

CERTIFICATE OF ACCEPTANCE

Government Code Section 27281

FOR RECORDER'S USE ONLY.

NO FEE

THIS IS TO CERTIFY that the interest in real property described in the within instrument is hereby accepted by
the undersigned officer on behalf of the City Council pursuant to authority conferred by Resolution of the City Council
adopted on February 5, 1973 and the grantee consents to recordation thereof by its duly authorized officer.

Charles H. Kappeler
Mayor
THE CITY OF SUNNYVALE

When recorded, mail to:

Encrow No. _____

THE CITY OF SUNNYVALE
DEPARTMENT OF GENERAL SERVICES

approval for the Special Development Permit (SDP) prior to its final approval by the Planning Commission. The conditions will become valid when the SDP is approved and prior to building permit issuance.

Who: The Permittee shall be solely responsible for implementation and maintenance of these mitigation measures.

How: The conditions of approval will require these mitigation measures to be incorporated into the constructions plans and followed throughout project construction.

- BP-35. DEPARTMENT OF PUBLIC SAFETY REVIEW:
Obtain approval from the Crime Prevention Division of Public Safety Department for crime prevention measures appropriate to the proposed development prior to issuance of a Building Permit. [COA] [PLANNING]

EP: THE FOLLOWING CONDITIONS SHALL BE ADDRESSED AS PART OF AN ENCROACHMENT PERMIT APPLICATION.

- EP-1. PRECISE PLAN FOR EL CAMINO REAL:
This project is in the Precise Plan for El Camino Real area, therefore, the developer shall comply with any applicable design requirements as identified in the Precise Plan or as amended and approved by the City. [COA] [PUBLIC WORKS]
- EP-2. COMPLETE OFF-SITE IMPROVEMENT PLAN SET:
A complete plan check set applicable to the project, including street improvement plans, streetscape plans, traffic signing and striping plans, traffic control plans, shall be submitted as part of the first off-site improvement plans, including engineering cost estimates. Joint trench plans may be submitted at a later date. No partial sets are allowed unless otherwise approved by the Director of Public Works. [COA] [PUBLIC WORKS]
- EP-3. EASEMENT DEEDS:
This project requires a minimum of 13' street right-of-way measured from the face of the curb and a 15' pedestrian realm measured from the face of the curb. Developer shall provide an additional 5' wide street dedication in the form of easement and 2' wide pedestrian realm easement dedication. All easements shall be kept open and free from buildings and structures of any kind except those appurtenances associated with the defined easements. Developer shall execute the easement deeds prior to encroachment permit issuance. [COA][PUBLIC WORKS]
- EP-4. EASEMENT VACATION:

The existing slope easement shall be vacated in accordance with applicable CA Streets and Highways Codes. [COA] [PUBLIC WORKS]

Prior to building permit issuance, the existing landscape easement shall be vacated in accordance with applicable CA Streets and Highway Codes or by administrative resolution of vacation by the City. [COA] [PUBLIC WORKS]

EP-5. BENCHMARKS

The off-site improvement plans shall be prepared by using City's latest benchmarks (NAVD88) available on City's website <http://sunnyvale.ca.gov/Departments/PublicWorks/BenchMarks,RecordMapsandRecordDrawings.aspx> [COA] [PUBLIC WORKS]

EP-6. UPGRADE OF EXISTING PUBLIC IMPROVEMENTS:

As part of the off-site improvement plan review and approval, any existing public improvements to be re-used by the project, which are not in accordance with current city standards and are not specifically identified in the herein project conditions (such as backflow preventer and sign post, etc.), shall be upgraded to current City standards and as required by the Director of Public Works. [COA] [PUBLIC WORKS]

EP-7. UTILITY CONNECTION:

This project requires connection to all City utilities or private utilities operating under a City or State franchise which provide adequate levels of service. [COA] [PUBLIC WORKS]

EP-8. UTILITY CONNECTION TO THE MAIN:

All sanitary sewer laterals connecting to the existing main line shall be with a new sanitary sewer manhole. All storm drain lateral connecting to the main shall be with a new storm drain manhole, except where a pipe to pipe connection is permitted if the mainline is 36" or larger, or a junction structure is permitted where the point of connection is within close vicinity of an existing down-stream manhole. Pursuant to City design standards, any new and retrofitted manholes require Sewpercoat, Mainstay or Sancon calcium aluminate cementitious mortar coating of the interior. [SDR] [PUBLIC WORKS]

EP-9. EXISTING UTILITY ABANDONMENT/RELOCATION:

Developer is responsible for research on all existing utility lines to ensure that there are no conflicts with the project. All existing utility lines (public or private) and/or their appurtenances not serving the project and/or have conflicts with the project, shall be capped, abandoned, removed, relocated and/or disposed to the satisfaction of the City. Existing public facilities within the street right-of-way shall be abandoned per City's Abandonment Notes and procedures, including abandonment by other utility owners. [COA] [PUBLIC WORKS]



City of Sunnyvale

Agenda Item

19-0235

Agenda Date: 2/26/2019

REPORT TO COUNCIL

SUBJECT

Adopt a Resolution to Amend the Classification Plan and the City's Salary Resolution to Update the Schedule of Pay to Add the Classifications of Environmental Programs Specialist I/II.

BACKGROUND

This report recommends amending the Classification Plan and the City's Salary Resolution to update the schedule of pay to add the newly established classifications of Environmental Programs Specialist I/II.

EXISTING POLICY

Section 1103, entitled Classification, of the City Charter states that additions or changes to the classification plan may be adopted from time to time by the City Council upon the recommendation of the City Manager.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" with the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(5) in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes in the environment.

DISCUSSION

In 2018, the Office of the City Manager approved a classification study request from the Environmental Services Department (ESD) to develop classifications that perform program work specific to environmental projects. The Environmental Programs Specialist I/II classifications will be responsible for developing, planning, and coordinating programs, events, and services in the defined program area. This will include developing outreach material for social media and written collateral; educating and training City staff, property and business owners, and the public on environmental programs, and preparing administrative and technical reports.

Other City departments such as Community Development and Library and Community Services have similar classifications established that work on program specific projects (Assistant Planner/Associate Planner; Community Services Coordinator I/II). These department focused classifications provide opportunities to attract talent who specialize in the designated field.

The creation of the Environmental Programs Specialist I/II classifications would provide an entry and journey level classification for program coordination in the Environmental Services Department. Finding candidates specifically interested in environmental work has been challenging in past recruitments due to the generic classifications of Administrative Aide and Administrative Analyst that

have been used. In addition to improving recruitment efforts, the proposed Environmental Programs Specialist I/II classifications will provide potential retention and succession planning opportunities in ESD. Incumbents would have a potential career path to the Environmental Programs Manager and Division Manager classifications.

The Environmental Programs Specialist I/II classifications will be represented by the Sunnyvale Employees Association (SEA/ IFPTE Local 21). SEA/Local 21 was provided notice and an opportunity to comment on the job description and proposed pay rates for the represented classifications.

FISCAL IMPACT

The proposed new classifications would replace the classifications for four current positions within ESD, which are comprised of three Administrative Aide positions and one Administrative Analyst position. Overall, the annual increase in cost for exchanging the current classifications is approximately \$30,000, totaling about \$760,000 over twenty years. Most of the impact is to the Solid Waste Management Fund, where three of the positions are fully budgeted. The fourth position is spread across three funds, the General Fund (45%), the Wastewater Management Fund (45%) and the Water Supply and Distribution Fund (10%). The impact of this change will be absorbed by the various operating programs within ESD, and included in the FY 2019/20 Recommended Budget.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

Adopt the Resolution amending Resolution Nos. 143-77 and 190-05 to Add the New Classifications of Environmental Programs Specialist I/II to the Classification Plan and to Amend the City's Salary Resolution to Update the Schedule of Pay.

Prepared by: Delanie LoFranco, Human Resources Manager

Reviewed by: Tina Murphy, Director, Human Resources

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Resolution

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUNNYVALE AMENDING RESOLUTION NOS. 143-77 AND NO. 190-05, TO ADD A NEW CLASSIFICATION OF ENVIRONMENTAL PROGRAMS SPECIALIST I/II TO THE CLASSIFICATION PLAN OF THE CIVIL SERVICE, AND TO AMEND THE CITY'S SALARY RESOLUTION TO UPDATE THE SCHEDULE OF PAY TO INCLUDE THE CLASSIFICATION

WHEREAS, at the request of the Environmental Services Department, the Human Resources staff has proposed an amendment to the Classification Plan of the Civil Service of the City of Sunnyvale to add the newly-established job classifications of "Environmental Programs Specialist I/II;" and

WHEREAS, the City Council having considered such proposals and recommendations desire to approve the amendment to the Classification Plan of the Civil Service and make corresponding changes to the City's Salary Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUNNYVALE THAT:

1. The City Council hereby approves an amendment to the Classification Plan of the Civil Service as follows:
 - a. Create the classification of Environmental Programs Specialist I (2320) with a pay range of \$73,921 (Min. range/ Step 1) to \$94,344 (Max. range/ Step 6) annually.
 - b. Create the classification of Environmental Programs Specialist II (2321) with a pay range of \$80,960 (Min. range/ Step 1) to \$103,327 (Max. range/ Step 6) annually.
2. Except as herein modified, the Classification Plan, Resolution No. 143-77, as amended, shall remain in full force and effect.
3. Resolution No. 190-05 (the City's Salary Resolution) is hereby amended by adding the classifications and pay rates set forth in Exhibit A, to the schedule of pay (salary table), attached and incorporated by reference, to implement the changes described in this resolution. Except as herein modified, Resolution No. 190-05, as amended, shall remain in full force and effect.
4. The Salary Resolution amendments and pay rates noted above shall be effective March 10, 2019.

Adopted by the City Council of the City of Sunnyvale at a regular meeting held on _____, 2019, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

RECUSAL:

ATTEST:

APPROVED:

City Clerk
(SEAL)

Mayor

APPROVED AS TO FORM:

City Attorney

EXHIBIT A

Section 1

City of Sunnyvale

Draft Salary Table

Salary Table - Regular Classifications

Job Code	Job Title	Pay Cat.	Range / Scale	Hourly Pay Rates						Annual Range		Effective Date
				Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Minimum	Maximum	
2320	Environmental Programs Specialist I	B	220	35.5390	37.3160	39.1818	41.1409	43.1979	45.3578	73,921	94,344	3/10/19
2321	Environmental Programs Specialist II	B	221	38.9229	40.8690	42.9125	45.0581	47.3110	49.6765	80,960	103,327	3/10/19

Assignments of Grade and Pay Ranges to Pay Plan as Referenced in the Salary Resolution**Category B** applies to Miscellaneous Classified Employees (**SEA**)



City of Sunnyvale

Agenda Item

19-0178

Agenda Date: 2/26/2019

REPORT TO COUNCIL

SUBJECT

Amend an Existing Purchase Order for Valley Oil Company to provide Unleaded Gasoline and Diesel Fuel (F19-121)

REPORT IN BRIEF

Approval is requested to amend an existing purchase order with Valley Oil Company of Mountain View, the City's unleaded gasoline provider, to include supply of diesel fuel and increase the not-to-exceed by \$200,000, from \$180,000 to \$380,000.

EXISTING POLICY

Pursuant to Section 2.08.040 of the Sunnyvale Municipal Code, City Council approval is required for the procurement of goods and/or services exceeding \$100,000 in any one transaction.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

BACKGROUND AND DISCUSSION

Most of the City's fleet of vehicles are powered by diesel fuel and unleaded gasoline. The fuel is stored in underground tanks at various locations in the City and the fuel supply is monitored by the Finance Department's Central Stores. On January 13, 2015, Council awarded purchase orders to Valley Oil Company for unleaded gasoline and to Golden Gate Petroleum for diesel fuel (RTC No. 14-1106).

The award was based on the results of the County of Santa Clara's online reverse auction, conducted through BidSync, which was held on October 28, 2014. The low bidder for the City's diesel fuel requirement was Golden Gate Petroleum for lots of up to 1,500 gallons (per delivery) with a bid of \$0.17 above Oil Price Information Service (OPIS) San Jose, and for lots of up to 6,000 gallons (per delivery) with a bid of \$0.075 above OPIS San Jose. On an annual basis, the City expends approximately \$200,000 per year on diesel fuel.

On December 7, 2018, Golden Gate Petroleum was acquired by Diesel Direct which was not a participant of the online reverse auction. Therefore, to continue providing diesel service, the City reviewed the Bid Results to determine Valley Oil Company as the second low bid for lots of up to 1,500 gallons (per delivery) with a bid of \$0.1890 above OPIS San Jose and for lots of up to 6,000 gallons (per delivery) with a bid of \$0.085 above OPIS San Jose (see Attachment 1 - Bid Summary). After a discussion with representatives from Valley Oil Company, they have agreed to match the

current pricing offered by Golden Gate Petroleum to the City. As a result, the City is recommending to amend the existing purchase order by increasing the amount by \$200,000 (Attachment 2) to include the purchase of diesel fuel.

FISCAL IMPACT

In Fiscal Year 2018/19, approximately \$830,000 is budgeted for the purchase of vehicle fuel in the Department of Public Works Operating Program 650 (Fleet, Fuel and Equipment).

Funding Source

Fuel is funded through internal service charges applied to the various departments that utilize motorized equipment. The largest user of fuel is the Department of Public Safety funded from the General Fund.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

Authorize the amendment of an existing purchase order with Valley Oil Company, in substantially the same format as Attachment 2 to the report, to include the supply of diesel fuel and increasing the not-to-exceed amount by \$200,000 for a new not-to-exceed of \$380,000, and authorize the City Manager to execute the purchase order when all the necessary conditions have been met and Find the Action exempt under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

Prepared by: Gregory S. Card, Purchasing Officer
Reviewed by: Timothy J. Kirby, Director of Finance
Reviewed by: Teri Silva, Assistant City Manager
Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Bid Summary
2. Draft Purchase Order

Bid #ITB-PRO-FY15-0139-REV-AUC-2 DIESEL - REVERSE AUCTION FOR FUEL (CARB ULSD #2)

Creation Date Oct 6, 2014

End Date Oct 28, 2014 12:14:49 PM PDT

Start Date Oct 28, 2014 9:26:39 AM PDT

Awarded Date Not Yet Awarded

ITB-PRO-FY15-0139-REV-AUC-2 DIESEL--01-01 CARB ULSD #2 - Lot 1 - up to 1,500 (for all agencies except AC Transit)					
Supplier	Unit Price	Qty/Unit	Total Price	Attch.	Docs
Golden Gate Petrolrum [Ad]	First Offer - \$3.17	1 / gallon	\$3.17		
Product Code:		Supplier Product Code:			
Agency Notes:		Supplier Notes:			
VALLEY OIL COMPANY	First Offer - \$3.189	1 / gallon	\$3.189		
Product Code:		Supplier Product Code:			
Agency Notes:		Supplier Notes:			
Southern Counties Oil Co. [Ad]	First Offer - \$3.20	1 / gallon	\$3.20		
Product Code:		Supplier Product Code:			
Agency Notes:		Supplier Notes:			
Pinnacle Petroleum, Inc.	First Offer - \$4.00	1 / gallon	\$4.00		
Product Code:		Supplier Product Code:			
Agency Notes:		Supplier Notes: Pinnacle Petroleum, Inc is a Diversified, Woman Owned Business Enterprise.			

ITB-PRO-FY15-0139-REV-AUC-2 DIESEL--01-02 CARB ULSD #2 - Lot 2 - 1,501 - 6,000 (for all agencies except AC Transit)					
Supplier	Unit Price	Qty/Unit	Total Price	Attch.	Docs
Golden Gate Petrolrum [Ad]	First Offer - \$3.075	1 / gallon	\$3.075		
Product Code:		Supplier Product Code:			
Agency Notes:		Supplier Notes:			
VALLEY OIL COMPANY	First Offer - \$3.085	1 / gallon	\$3.085		
Product Code:		Supplier Product Code:			
Agency Notes:		Supplier Notes:			
Southern Counties Oil Co. [Ad]	First Offer - \$3.085	1 / gallon	\$3.085		
Product Code:		Supplier Product Code:			
Agency Notes:		Supplier Notes:			
Pinnacle Petroleum, Inc.	First Offer - \$3.20	1 / gallon	\$3.20		
Product Code:		Supplier Product Code:			
Agency Notes:		Supplier Notes: Pinnacle Petroleum, Inc is a Diversified, Woman Owned Business Enterprise.			

ITB-PRO-FY15-0139-REV-AUC-2 DIESEL--01-03 CARB ULSD #2 - Lot 3 - 6,001 - 10,000+ (for all agencies except AC Transit Dist)					
Supplier	Unit Price	Qty/Unit	Total Price	Attch.	Docs
Mansfield Oil Company [Ad]	First Offer - \$2.9996	1 / gallon	\$2.9996		
Product Code:		Supplier Product Code:			
Agency Notes:		Supplier Notes:			
Golden Gate Petrolrum [Ad]	First Offer - \$3.0008	1 / gallon	\$3.0008		
Product Code:		Supplier Product Code:			
Agency Notes:		Supplier Notes:			
Pinnacle Petroleum, Inc.	First Offer - \$3.002	1 / gallon	\$3.002		
Product Code:		Supplier Product Code:			
Agency Notes:		Supplier Notes: Pinnacle Petroleum, Inc is a Diversified, Woman Owned Business Enterprise.			
Southern Counties Oil Co. [Ad]	First Offer - \$3.0044	1 / gallon	\$3.0044		
Product Code:		Supplier Product Code:			
Agency Notes:		Supplier Notes:			
VALLEY OIL COMPANY	First Offer - \$3.05	1 / gallon	\$3.05		
Product Code:		Supplier Product Code:			
Agency Notes:		Supplier Notes:			



ITB

ITB NUMBER: 0139 DIESEL

COMPANY

Golden Gate Petroleum
1340 Arnold Dr. #231
Martinez, CA 94553
Phone: (925) 228-2222
Contact: Pat O'Keefe

COMPANY

Pinnacle Petroleum
7911 Professional Circle
Huntington Beach, CaA 92648
Phone: (714) 841-8877
Contact: Liz McKinley

COMPANY

Southern Counties Oil Co.
P. O. Box 4159
Orange, CA 92863-4159
Phone: (805) 389-3550
Contact: Karen Koep

COMPANY

Mansfield Oil Co.
1025 Airport Pkwy
Gainesville, GA 30501
Phone: (678) 450-2282
Contact: Diane Burke

COMPANY

Valley Oil Co.
785 Yuba Dr.
Mountain View, CA 94041
Phone: 650-967-2253
Contact: Mike Taft

COMPANY

Falcon Fuels
7300 Alondra Blvd. #204
Paramount, CA 90723
Phone: (562) 272-4226
Contact: Carol Chavez

DESCRIPTION	QUANTITY	U/M	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE
UNLEADED 87 OCTANE														
Lot 1 - 1 to 1,500 gallons (all agencies except AC Transit)			no bid		\$0.2000		0.1890		no bid		\$0.1889		no bid	
Lot 2 - 1,501 - 6,000 gallons (all agencies except AC Transit)			no bid		\$0.0599		0.0460		no bid		\$0.0450		no bid	
Lot 3 - 6,001 - 10,000+ (all agencies except AC Transit)			no bid		(0.0313)		(0.0373)		(0.0237)		\$0.0172		no bid	
Lot 4 - up to 1,500 gallons (AC Transit)			no bid		\$0.2000		\$0.1900		no bid		no bid		no bid	
Lot 5 - 1,501 - 6,000 gallons (AC Transit)			no bid		\$0.0159		\$0.1500		no bid		no bid		no bid	
Lot 6 - 6,001 - 10,000+ gallons (AC Transit)			no bid		(0.0348)		(0.0261)		(0.0345)		no bid		no bid	
DIESEL (ULSD & RED DYED)														
Lot 1 - 1 to 1,500 gallons (all agencies except AC Transit)			\$0.1700		\$1.0000		\$0.2000		no bid		0.1890		no bid	
Lot 2 - 1,501 - 6,000 gallons (all agencies except AC Transit)			\$0.0750		\$0.2000		\$0.0850		no bid		0.0850		no bid	
Lot 3 - 6,001 - 10,000+ (all agencies except AC Transit)			\$0.0008		\$0.0020		\$0.0044		(0.0004)		0.0500		no bid	
Lot 4 - up to 1,500 gallons (AC Transit)			\$0.3200		\$1.2000		\$0.2180		no bid		no bid		no bid	
Lot 5 - 1,501 - 6,000 (AC Transit)			\$0.0500		\$0.2000		\$0.1050		no bid		no bid		no bid	
Lot 6 - 6,001 -10,000+ (AC Transit)			(0.0502)		\$0.0199		\$0.0063		(0.0455)		no bid		\$0.0048	
Lot 7 - up to 1,500 gallon (Red Dyed) (Alameda County)			\$0.1100		\$3.0000		\$0.1765		no bid		\$0.1490		no bid	
Lot 8 - 1,501 - 6,000 gallons (Red Dyed) (Alameda County)			\$0.0450		\$0.1700		\$0.0460		no bid		\$0.0690		no bid	
Lot 9 - 6,001 - 10,000+ gallons (Red Dyed) (Alameda County)			\$0.0700		\$1.0000		\$0.0550		no bid		\$0.0900		no bid	
BIODIESEL														
Lot 1 - up to 10,000 gallons (Alameda County)			(0.0500)		no bid		(0.1900)		(0.0457)		no bid		no bid	
Lot 2 - up to 10,000 gallons (City of Belmont)			\$0.0500		no bid		\$0.1665		no bid		\$0.0574		no bid	
Lot 3 - up to 10,000+ (City of Gilroy)			\$0.0900		no bid		\$0.0950		no bid		no bid		no bid	
Lot 4 - up to 10,000+ (East Bay Regional Park)			\$0.1100		no bid		\$0.1665		no bid		\$0.1190		no bid	
SUB TOTAL =														
TAX RATE =														
(Enter all non-taxable items) =														
(Enter all non-taxable items) =														
TOTAL =														
LOCAL PREFERENCE DEDUCTION =														
GRAND TOTAL =														
Receipt of Required Submittals (Yes/No)														
Appendix (Enter Appendix No.)														
Appendix (Enter Appendix No.)														
Appendix (Enter Appendix No.)														
Insurance in Compliance, if applicable (Yes/No)														
NOTES:														

LOCAL PREFERENCE REPORTING

Bid Includes Local Preference (Yes/No)	Affected Award Determination	Financial Impact
N	N	

PO/Contract Number:

Prepared by: CC

Date: 10/30/14

Approved by:

Date:

Award:



City of Sunnyvale
California

Draft Revised Blanket Purchase Order NC BL009634

ORDERED FROM 00938 - 001 (650) 967-2253 Valley Oil Co 785 Yuba Dr Mountain View, CA 94042	ORDER DATE	BILL TO: City of Sunnyvale Finance Department Accounts Payable PO Box 3707 Sunnyvale, CA 94088-3707
	EFFECTIVE DATE 2/1/2019	
	EXPIRATION DATE 1/31/2020	
	CONTRACT AMOUNT \$380,000.00	
REQUISITIONING DEPARTMENT (3450) FIN/Central Stores	FOB DEST	FREIGHT CHARGES Destination, freight included in price
	PAYMENT TERMS N/20	BID NO



ITEM	DESCRIPTION	UNIT	UNIT COST
1	<p>Provide unleaded gasoline as required by the City of Sunnyvale in accordance with the specifications, terms and conditions set forth in that document entitled "Reverse Auction No. ITB-PRO-FY15-0139 for Fuel" and supplier's written bid response.</p> <p>Price per gallon of gasoline shall be \$0.1889 above OPIS San Jose at the time of delivery for lots of up to 1,500 gallons and \$0.045 above OPIS San Jose at the time of delivery for lots of 1,501 to 6,000 gallons.</p> <p>Sunnyvale Fuel Tank Locations: 1. Civic Center, 605 All America Way 2. Corporation Yard, 221 Commercial Street 3. Sunnyvale Golf Course, 605 Macara Avenue</p> <p>City Council awarded a contract for a three year period with an option to renew for two additional one-year periods on 1/13/2015, RTC No. 14-1106.</p> <p>This is the second of two (2) 1-year renewal periods.</p> <p>Requisition No. RQ021330 This purchase order replaces BL008669.</p> <p>Change Order #1 - Provide diesel fuel as required by the City of Sunnyvale in accordance with the specifications, terms and conditions set forth in that document entitled "Reverse Auction No. ITB-PRO-FY15-0139 for Fuel" and supplier's written bid response.</p> <p>Price per gallon of fuel shall be \$0.17 above OPIS San Jose at the time of delivery for lots of up to 1,500 gallons and \$0.075 above OPIS San Jose at the time of delivery for lots of 1,501 to 6,000 gallons.</p> <p>Awarded by Council 3/5/19, RTC #19-0178</p> <p>Requisition #: RQ021330-1</p>	DLR	\$1.0000

AUTHORIZED DEPARTMENT(S)

NO	DEPT NAME	RELEASE AMT
3450	FIN/Central Stores	\$380,000.00

DOCUMENT TERMS

This purchase order is subject to the City of Sunnyvale Standard Terms and Conditions for the Purchase of Goods, dated 10/8/2010, a copy of which is attached and incorporated by reference (Form #TCBPO-G). Invoices must be sent directly to Accounts Payable by mail to the address above or by e-mail to accountspayable@sunnyvale.ca.gov and must reference the purchase order number. Failure to comply will result in a delay in payment processing.



BUYER:

Vo, Lisa

PHONE (408) 730-7608

FAX (408) 328-0723



City of Sunnyvale

Agenda Item

19-0055

Agenda Date: 2/26/2019

REPORT TO COUNCIL

SUBJECT

Award of Contract to Wastewater Solids Management, Inc. for Digesters No. 2 and No. 3 Cleanout 2018 Project (F19-053)

REPORT IN BRIEF

Approval is requested to award a contract to Wastewater Solids Management, Inc. of Yerington, NV, in the amount not to exceed \$269,690, for the Digesters No. 2 and No. 3 Cleanout 2018 project.

EXISTING POLICY

In accordance with Section 2.08.060 of the Sunnyvale Municipal Code, maintenance work anticipated to cost more than \$50,000 is conducted through the issuance of an Invitation for Bids (IFB), with a contract awarded to the lowest responsive and responsible bidder.

Pursuant to Section 2.08.040 of the Sunnyvale Municipal Code, City Council approval is required for the procurement of goods and services exceeding \$100,000, in any one transaction.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) determination for the project is a categorical exemption pursuant to CEQA Guidelines Section 15301(b), for existing publicly-owned utilities facilities involving negligible or no expansion of use beyond which presently exists.

BACKGROUND AND DISCUSSION

The Water Pollution Control Plant has four anaerobic digesters that require periodic cleaning to remove accumulated debris that become trapped inside during normal operations. Over time, inorganic debris accumulates at the bottom of each digester. Other material collects through the mixing action of the pumping system and floats to the top of the digester tank, creating a thick mat. The excessive accumulation of these materials at the bottom of the digester and floating material at the top can damage the digester systems when regular maintenance does not occur.

Currently, Digester No. 2 and No. 3 are experiencing performance issues related to the debris accumulation mentioned above. Additional digester cleaning work is currently being procured.

An Invitation for Bids was issued on October 31, 2018 through the DemandStar public procurement network and 12 firms requested bid documents. Four firms attended the non-mandatory pre-bid conference and four bids were publicly opened on December 5, 2018 (see Attachment 1 - Bid Summary). Wastewater Solids Management, Inc. submitted the lowest responsive and responsible bid in the amount of \$269,690.

FISCAL IMPACT

Funding is available in Project 833060 (Annual Digester Cleaning).

Funding Source

This project is funded by the Wastewater Management Fund.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

Award a contract to Wastewater Solids Management, Inc. of Yerington, NV in the amount not to exceed \$269,690 in substantially the same form as Attachment 2 to the report and authorize the City Manager to execute the contract when all necessary conditions have been met and Find that the Action is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301(b), for existing publicly-owned utilities facilities involving negligible or no expansion of use beyond which presently exists.

Prepared by: Gregory S. Card, Purchasing Officer

Reviewed by: Timothy J. Kirby, Director of Finance

Reviewed by: Ramana Chinnakotla, Director of Environmental Services

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Bid Summary
2. Draft Maintenance and Repair Contract

Invitation for Bids No. F19-053 Digesters #2 & #3 Cleanout 2018				Wastewater Solids Management, Inc.		Synagro-WWT, Inc.		American Process Group, Inc.		Pipe and Plant Solutions, Inc.	
				P.O. Box 826 Yerington, NV 89447		435 Williams Court, Suite 100 Baltimore, MD 21220		1201 Pacific Avenue, Suite 600 Tacoma, WA 98402		225 3rd Street Oakland, CA 94607	
				Victoria E. Prince		John Pugliaresi		John Prince		William Gilmartin IV	
BASE BID		QTY	UOM	Unit Cost	Extended Cost	Unit Cost	Extended Cost	Unit Cost	Extended Cost	Unit Cost	Extended Cost
1	Digester #2 & #3 Cleanout	1	LS		\$ 269,690.00		\$ 289,000.00		\$ 398,070.00		\$ 784,224.00
BID TOTAL					\$ 269,690.00		\$ 289,000.00		\$ 398,070.00		\$ 784,224.00

Surety			10% bond		10% bond		10% bond		10% bond	
Subcontractors			Name	Work to be Performed	Name	Work to be Performed	Name	Work to be Performed	Name	Work to be Performed
					Jess Ranch Trucking	Transportation	Denali Water Solutions	Dewatered sludge hauling and disposal		

GENERAL MAINTENANCE AND REPAIR CONTRACT

THIS CONTRACT dated _____ is by and between the CITY OF SUNNYVALE, a municipal corporation of the State of California ("Owner") and Wastewater Solids Management, Inc., a corporation ("Contractor").

RECITALS:

The parties to this Contract have mutually covenanted and agreed, as follows:

1. The Contract Documents. The complete Contract consists of the following documents: Notice Inviting Bids; Instructions to Bidders; Performance Bond and Payment Bond; Guaranty; City of Sunnyvale Standard Specifications for Public Works Construction, 2006 Edition; City of Sunnyvale Standard Details for Public Works Construction, 2006 Edition; Plans and Specifications, "Digesters #2 & #3 Cleanout 2018, Invitation for Bids No. F19-053", including Addendum No. 1 and 2; OSHA, and other standards and codes as outlined in the Specifications. These documents are all incorporated by reference. The documents comprising the complete contract are collectively referred to as the Contract Documents.

Any and all obligations of the Owner and the Contractor are fully set forth and described therein.

All of the above documents are intended to work together so that any work called for in one and not mentioned in the other or vice versa is to be executed the same as if mentioned in all documents.

2. The Work. Contractor agrees to furnish all tools, equipment, apparatus, facilities, labor, transportation, and material necessary to perform and complete the project in a good and workmanlike manner. The work consist(s) of cleaning two (2) anaerobic digesters at the Water Pollution Control Plant (WPCP) as called for, and in the manner designated in, and in strict conformity with, the Plans and Specifications prepared by Kennedy/Jenks Consultants and adopted by the Owner. These Plans and Specifications are entitled respectively, Digesters #2 & #3 Cleanout 2018, Invitation for Bids No. F19-053.

It is understood and agreed that the work will be performed and completed as required in the Plans and Specifications under the sole direction and control of the Contractor, and subject to inspection and approval of the Owner, or its representatives. The Owner hereby designates as its representative for the purpose of this contract the Operations Manager or an employee of the Owner who will be designated in writing by the Director of Environmental Services.

3. The Owner agrees to pay and the Contractor agrees to accept, in full payment for the work above agreed to be done, the sum of Two Hundred Sixty Nine Thousand Six Hundred Ninety and No/100 Dollars (\$269,690.00) subject to final determination of the work performed and materials furnished at unit prices per "Exhibit A" attached hereto and incorporated by this reference, and subject to additions and deductions in accordance, as provided in the Documents and in accordance with Contract Documents.

4. Permits; Compliance with Law. Contractor shall, at its expense, obtain all necessary permits and licenses, easements, etc., for the construction of the project, give all necessary notices, pay all fees required by law, and comply with all laws, ordinances, rules and regulations relating to the work and to the preservation of the public health and safety.

5. Inspection by Owner. Contractor shall at all times maintain proper facilities and provide safe access for inspection by the Owner to all parts of the work, and to the shops wherein the work is in preparation. Where the Specifications require work to be specially tested or approved, it shall not be tested or covered up without timely notice to the Owner of its readiness for inspection and without the approval thereof or consent thereto by the latter. Should any such work be covered up without such notice, approval, or consent, it must, if required by Owner, be uncovered for examination at the Contractor's expense.

6. Extra or Additional Work and Changes. Should Owner at any time during the progress of the work request any alterations, deviations, additions or omissions from the Specifications or Plans or other Contract Documents it shall be at liberty to do so, and the same shall in no way affect or make void the contract, but will be added to or deducted from the amount of the contract price, as the case may be, by a fair and reasonable valuation, agreed to in writing between the parties hereto. No extra work shall be performed or change be made unless in pursuance of a written order from the Director of Public Works or authorized representative, stating that the extra work or change is authorized and no claim for an addition to the contract sum shall be valid unless so ordered.

7. Time for Completion. All work under this contract shall be completed before the expiration thirty (30) working days from the date specified in the Notice to Proceed.

If Contractor shall be delayed in the work by the acts or neglect of Owner, or its employees or those under it by contract or otherwise, or by changes ordered in the work, or by strikes, lockouts by others, fire, unusual delay in transportation, unavoidable casualties or any causes beyond the Contractor's control, or by delay authorized by the Owner, or by any cause which the Owner shall decide to justify the delay, then the time of completion shall be extended for such reasonable time as the Owner may decide.

This provision does not exclude the recovery of damages for delay by either party under other provisions.

8. Inspection and Testing of Materials. Contractor shall notify Owner a sufficient time in advance of the manufacture or production of materials, to be supplied under this contract, in order that the Owner may arrange for mill or factory inspection and testing of same, if Owner requests such notice from Contractor.

9. Termination for Breach, etc. If Contractor should file a bankruptcy petition and/or be judged bankrupt, or if Contractor should make a general assignment for the benefit of creditors, or if a receiver should be appointed on account of insolvency, or if Contractor or any subcontractors should violate any of the provisions of the Contract, Owner may serve written notice upon Contractor and its surety of Owner's intention to terminate the Contract. The notice shall contain the reasons for such intention to terminate the Contract, and, unless within ten days after serving such notice, such violation shall cease and satisfactory arrangements for correction thereof be made, upon the expiration of the ten days, the Contract shall cease and terminate. In the event of any such termination, Owner shall immediately serve written notice thereof upon the surety and the Contractor, and the surety shall have the right to take over and perform the Contract; provided, however that, if the surety within fifteen days after the serving upon it of notice of termination does not give Owner written notice of its intention to take over and perform the Contract or does not commence performance thereof within thirty days from the date of the serving of such notice, Owner may take over the work and prosecute the same to completion by contract or by any other method it may deem advisable, for the account and at the expense of Contractor, and Contractor and its surety shall be liable to Owner for any excess cost occasioned Owner thereby, and in such event Owner may without liability for so doing take possession of and utilize in completing the work, such materials, appliances, plant and other property belonging to Contractor as may be on the site of the work and necessary therefor.

10. Owner's Right to Withhold Certain Amounts and Make Application Thereof. In addition to the amount which Owner may retain under Paragraph 21 until the final completion and acceptance of all work covered by the Contract, Owner may withhold from payment to Contractor such amount or amounts as in its judgment may be necessary to pay just claims against Contractor or any subcontractors for labor and services rendered and materials furnished in and about the work. Owner may apply such withheld amount or amounts to the payment of such claims in its discretion. In so doing Owner shall be deemed the agent of Contractor and any payment so made by Owner shall be considered as a payment made under the Contract by Owner to the Contractor and Owner shall not be liable to Contractor for any such payment made in good faith. Such payment may be made without prior judicial determination of the claim or claims.

11. Notice and Service Thereof. All notices required pursuant to this Contract shall be communicated in writing, and shall be delivered in person, by commercial courier or by first class or priority

mail delivered by the United States Postal Service. Transmission of notice by facsimile or by telephone may be deemed sufficient if the requirement for written notice is waived, in writing, by the receiving party. Notices delivered in person shall be deemed communicated as of actual receipt. Notices sent by mail or courier service shall be deemed communicated as of three days after mailing or dispatch, unless that date is a date on which there is no mail or delivery service, in which case communication shall be deemed to occur the next mail service or delivery day. The burden of proof of compliance with this requirement for written notice shall be on the sending party. All notices sent pursuant to this Contract shall be addressed as follows:

Owner: City of Sunnyvale
Department of Public Works
Construction Contract Administrator
P. O. Box 3707
Sunnyvale, CA 94088-3707

Contractor: Wastewater Solids Management, Inc.
PO Box 826
Yerington, NV 89447

12. Assignment of Contract. Neither the Contract, nor any part thereof, nor moneys due or to become due thereunder may be assigned by Contractor without the prior written approval of Owner.

13. Compliance with Specifications of Materials. Whenever in the Specifications, any material or process is indicated or specified by patent or proprietary name, or by name of manufacturer, such Specifications must be met by Contractor, unless Owner agrees in writing to some other material, process or article offered by Contractor which is equal in all respects to the one specified.

14. Contract Security. Contractor shall furnish a surety bond in an amount at least equal to 100 percent of the contract price as security for the faithful performance of this Contract. Contractor shall also furnish a separate surety bond in an amount at least equal to 100 percent of the contract price as security for the payment of all persons for furnishing materials, provisions, provender, or other supplies, or teams, used in, upon, for or about the performance of the work contracted to be done, or for performing any work or labor thereon of any kind, and for the payment of amounts due under the Unemployment Insurance Code with respect to such work or labor in connection with this Contract, and for the payment of a reasonable attorney's fee to be fixed by the court in case suit is brought upon the bond. Bonds shall be issued by an admitted surety insurer authorized to operate in the state of California.

15. Insurance. Contractor shall not commence work under this Contract until all insurance required under this paragraph has been obtained and such insurance has been approved by the Owner, nor shall Contractor allow any subcontractor to commence work on a subcontract until all similar insurance required of the subcontractor has been so obtained and approved. Contractor shall furnish the Owner with satisfactory proof of the carriage of insurance required, and there shall be a specific contractual liability endorsement extending the Contractor's coverage to include the contractual liability assumed by the Contractor pursuant to this Contract and particularly Paragraph 16 hereof. Any policy of insurance required of the Contractor under this Contract shall also contain an endorsement providing that thirty (30) days' notice must be given in writing to the Owner of any pending change in the limits of liability or of any cancellation or modification of the policy. Insurance carrier shall be California-admitted.

(a) Worker's Compensation Insurance and Employer's Liability Insurance. Contractor shall take out and maintain during the life of this Contract Workers' Compensation Insurance and Employer's Liability Insurance for all of employees employed at the site of the project and, in case any work is sublet, Contractor shall require the subcontractor similarly to provide Workers' Compensation Insurance and Employer's Liability Insurance for all of the latter's employees unless such employees are covered by the protection afforded by Contractor.

In signing this Contract, Contractor makes the following certification, required by Section 1861 of the Labor Code:

"I am aware of the provision of Section 3700 of the Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

(b) General and Automobile Liability Insurance. Contractor, at its own cost and expense, shall maintain personal injury liability and property damage insurance for the period covered by the Contract in the amount of Two Million Dollars (\$2,000,000.00) per occurrence and \$4,000,000 annual aggregate combined single limit coverage. Such coverage shall include, but shall not be limited to, protection against claims arising therefrom, and damage to property resulting from activities contemplated under this Contract, use of owned automobiles, products and completed operations, including U, C and X. Such insurance shall be with insurers and under forms of policies satisfactory in all respects to the Owner and shall provide that notice must be given to Owner at least thirty (30) days prior to cancellation or material change. The following endorsements shall be attached to the policy:

Policy shall cover on an "occurrence" basis. Policy must cover personal injuries as well as bodily injuries. Exclusion of contractual liability must be eliminated from personal injury endorsement. Broad form property damage endorsement must be attached. Owner is to be named as an additional insured on any contracts of insurance under this paragraph (b). Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under Subdivision (b) of Section 2782 of the Civil Code. The policies of insurance shall be considered primary insurance before any policies of insurance maintained by Owner.

16. Hold Harmless. Contractor agrees to defend, save, indemnify and hold harmless Owner and all its officers, employees, and agents, against any and all liability, claims, judgments, or demands, including demands arising from injuries or death of persons (Contractor's employees included) and damage to property, arising directly or indirectly out of the obligations herein undertaken or out of the operations conducted by Contractor, save and except claims or litigation arising through the active negligence or willful misconduct of Owner, or of Owner's officials, agents, employees, servants, or independent contractors who are directly responsible to Owner. Contractor shall make good and reimburse Owner for any expenditures, including reasonable attorneys' fees, Owner may make by reason of such claim or litigation, and, if requested by Owner, Contractor shall defend any such suits at the sole cost and expense of Contractor.

17. Hours of Work. . Eight hours of labor during any one calendar day and forty hours of labor during any one calendar week shall constitute the maximum hours of service upon all work done hereunder, and it is expressly stipulated that no laborer, worker, or mechanic employed at any time by the Contractor or by any subcontractor or subcontractors under this Contract, upon the work or upon any part of the work contemplated by this Contract, shall be required or permitted to work thereon more than eight hours during any one calendar day and forty hours during any one calendar week, except, as provided by Section 1815 of the Labor Code of the State of California, work performed by employees of contractors in excess of eight hours per day and forty hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. It is further expressly stipulated that for each and every violation of Sections 1811-1815, inclusive, of the Labor Code of the State of California, all the provisions whereof are deemed to be incorporated herein, Contractor shall forfeit, as a penalty to Owner, twenty-five (\$25.00) for each laborer, worker, or mechanic employed in the execution of this Contract by Contractor, or by any subcontractor under this Contract, for each calendar day during which the laborer, worker, or mechanic is required or permitted to work more than eight hours in any one calendar day and forty hours in any one calendar week in violation of the provisions of the Sections of the Labor Code.

Contractor, and each subcontractor, shall, in accordance with California Labor Code Section 1776 or as the same may be later amended, keep accurate payroll records showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by him or her in connection with work under this agreement. Each payroll record shall contain or be verified by a written declaration under penalty of perjury, in accordance with Labor Code Section 1776(a). Such payroll records shall be made available at all reasonable times at the Contractor's principal office to the persons authorized to inspect such records pursuant to Labor Code Section 1776. A certified copy of all payroll records shall be made available for inspection or furnished upon request to a representative of the Division of Labor Standards Enforcement, and the Division of Apprenticeship Standards of the Department of Industrial Relations, as well as to the Owner's representative. In the event the Contractor or a Subcontractor fails to comply in a timely manner within ten days to a written notice requesting the records, such contractor or subcontractor shall forfeit one hundred dollars (\$100.00) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated, in accordance with Labor Code Section 1776(h).

18. Wage Rates. Pursuant to the Labor Code of the State of California, or any applicable local law, Owner has ascertained the general prevailing rate per diem wages and rates for holidays, and overtime work in the city, for each craft, classification or type of laborer, worker, or mechanic needed to execute this Contract. Owner has adopted, by reference, the general prevailing rate of wages applicable to the work to be done under the Contract, as adopted and published by the Division of Labor Standards Enforcement and Labor Statistics and Research of the State of California, Department of Industrial Relations, to which reference is hereby made for a full and detailed description. A copy of the prevailing wage rates may be reviewed in the office of the Director of Public Works, City of Sunnyvale, 456 West Olive Avenue, Sunnyvale, California. Wage rates can also be obtained through the California Department of Industrial Relations website at: <http://www.dir.ca.gov/OPRL/DPreWageDetermination.htm>

Neither the notice inviting bids nor this Contract shall constitute a representation of fact as to the prevailing wage rates upon which the Contractor or any subcontractor may base any claim against Owner.

It shall be mandatory upon Contractor and upon any subcontractor to pay not less than the specified rates to all laborers, workers, and mechanics employed in the execution of the Contract. It is further expressly stipulated that Contractor shall, as a penalty to Owner, forfeit two hundred dollars (\$200.00) for each calendar day, or portion thereof, for each laborer, worker, or mechanic paid less than the stipulated prevailing rates for any work done under this Contract by Contractor or by any subcontractor; and Contractor agrees to comply with all provisions of Section 1775 of the Labor Code.

In case it becomes necessary for Contractor or any subcontractor to employ on the project under this Contract any person in a trade or occupation (except executives, supervisory, administrative, clerical, or other non-manual workers as such) for which no minimum wage rate is herein specified, Contractor shall immediately notify Owner who will promptly thereafter determine the prevailing rate for such additional trade or occupation and shall furnish Contractor with the minimum rate based thereon. The minimum rate thus furnished shall be applicable as a minimum for such trade or occupation from the time of the initial employment of the person affected and during the continuance of such employment.

19. Accident Prevention. Precaution shall be exercised at all times for the protection of persons (including employees) and property. The safety provisions of applicable laws, building and construction codes shall be observed. Machinery, equipment, and other hazards shall be guarded or eliminated in accordance with the safety provisions of the Construction Safety Orders issued by the Industrial Accident Commission of the State of California.

20. Contractor's Guarantee. Owner shall not, in any way or manner, be answerable or suffer loss, damage, expense or liability for any loss or damage that may happen to the building, work, or equipment or any part thereof, or in, on, or about the same during its construction and before acceptance. Contractor unqualifiedly guarantees the first-class quality of all workmanship and of all materials, apparatus, and equipment used or installed by Contractor or by any subcontractor or supplier in the project which is the subject of this Contract, unless a lesser quality is expressly authorized in the Plans and Specifications,

in which event Contractor unqualifiedly guarantees such lesser quality; and that the work as performed by Contractor will conform with the Plans and Specifications or any written authorized deviations therefrom. In case of any defect in work, materials, apparatus or equipment, whether latent or patent, revealed to Owner within one year of the date of acceptance of completion of this Contract by Owner, Contractor will forthwith remedy such defect or defects without cost to Owner.

21. Liquidated Damages. Time shall be the essence of this Contract. If Contractor fails to complete, within the time fixed for such completion, the entire work mentioned and described and contracted to be done and performed, Contractor shall become liable to Owner for liquidated damages in the sum of Five Hundred and No/100 (\$500.00) for each and every calendar day during which work shall remain uncompleted beyond such time fixed for completion or any lawful extension thereof. The amount specified as liquidated damages is presumed to be the amount of damage sustained by Owner since it would be impracticable or extremely difficult to fix the actual damage; and the amount of liquidated damages may be deducted by Owner from moneys due Contractor hereunder, or its assigns and successors at the time of completion, and Contractor, or its assigns and successors at the time of completion, and its sureties shall be liable to Owner for any excess.

22. Governing Law, Jurisdiction and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California, excluding its conflict of law principles. Proper venue for legal actions will be exclusively vested in a state court in the County of Santa Clara. The parties agree that subject matter and personal jurisdiction are proper in state court in the County of Santa Clara, and waive all venue objections.

_____/_____/_____
City Attorney Date

EXHIBIT A

Line Item	Description	QTY	UOM	Total Cost
1.	Digester #2 & #3 Cleanout	1	LS	\$269,690
			Base Bid Total	\$269,690

EXHIBIT B

Utilization of Local Workforce in Construction Projects - The Sunnyvale City Council has adopted a policy which encourages utilization of local workforces, including State-certified apprentices, as a means of supporting economic opportunities for all members of the community. Local workforce is defined as workers residing in Santa Clara County. The lowest responsive and responsible bidder must provide a projection of locally-hired workers utilized for this contract.

Contractor	Projected Number of Locally Hired Workers_____
Subcontractor(s)	Projected Percent of Locally Hired Workers_____%
	Projected Number of Locally Hired Workers_____
	Projected Percent of Locally Hired Workers_____%

Attachment C PERFORMANCE BOND

DIGESTER #2 & #3 CLEANOUT 2018 Invitation for Bids No. F19-053

KNOW ALL MEN BY THESE PRESENTS:

THAT WHEREAS, the City of Sunnyvale ("City") has awarded to Wastewater Solids Management, Inc. as principal ("Contractor"), a contract for the work described as follows:

The project entitled "Digesters #2 & #3 Cleanout 2018" pursuant to the award made to said Principal by the city of Sunnyvale to do and perform the following work, to wit: furnish all tools, equipment, materials, apparatus, facilities, labor, transportation, supervision and management necessary to perform and complete in a good and workmanlike manner, the work as called for, and in the manner designated in, and in strict conformity with, Invitation for Bids No. F19-053.

It is acknowledged that the contract provides for a one-year warranty period during which time this Bond remains in full force and effect. The contract and all of its terms and conditions are incorporated into this Bond by reference.

AND WHEREAS, the Contractor is required to furnish a bond in connection with the contract guaranteeing its faithful performance.

AND THEREFORE, we the undersigned Contractor as principal and _____, a _____, admitted and duly authorized to transact business under the laws of the State of California as surety, are held and firmly bound unto the City as obligee in the sum of _____ (which amount is not less than 100% of the contract price) to be paid to the City or its successors and assigns; and for which payment, well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors or assigns, jointly and severally, firmly by these presents.

THE CONDITION of the obligation is such:

That if the Contractor, (or the Contractor's heirs, executors, administrators, successors or assigns) shall in all respects abide by, and well and truly keep and perform all of the covenants, conditions and agreements in the contract (and any alteration made as provided in the contract) at the time and in the manner specified and in all respects according to their true intent and meaning; and if the contractor shall indemnify and save harmless the City, its officers, employees and agents, as stipulated in the contract, then this obligation shall become and be null and void; otherwise this obligation shall be and remain in full force and effect.

As a condition precedent to the satisfactory completion of the contract, the obligation of the Contractor and surety under this Bond shall remain in effect for a period of one (1) year after the completion and acceptance of the work. During that time, if the Contractor (or the Contractor's heirs, executors, administrators, successors or assigns) fails to make full, complete and satisfactory repair and replacement or totally protect the City from any loss or damage made evident during

that year which results from or is caused by either defective materials or faulty workmanship in the prosecution of the work, then the obligation shall remain in full force and effect. However, anything in this paragraph to the contrary notwithstanding, the obligation of the Surety shall continue so long as any obligation of the Contractor remains.

No prepayment or delay in payments, and no change, extension, addition or alteration of any provision of the contract or in the specifications agreed to between the Contractor and the City, or any forbearance on the part of the City shall operate to relieve the surety. The surety hereby waives the provisions of Section 2819 of the California Civil Code. The surety waives all rights of subrogation against the City or any person employed by the City. If the contract price increases by the issuance of change orders, the amount specified in this bond shall increase by the same amount.

IN WITNESS WHEREOF, we have hereunto set our hands and seals on this _____ day of _____, 20____.

SURETY (Name):

(Address of Principal Place of Business)

Telephone No.: _____

Facsimile No. _____

By: _____

Attorney in Fact

CONTRACTOR :

Wastewater Solids Management, Inc.

PO Box 826

Yerington, NV 89447

By: _____

(Name: print or type)

Title: _____

By: _____

(Name: print or type)

Title: _____

(Notice: The signatures of the Surety and Contractor on this bond must be acknowledged before a notary.)



City of Sunnyvale

Agenda Item

19-0280

Agenda Date: 2/26/2019

REPORT TO COUNCIL

SUBJECT

Adopt a Resolution Amending the City's Salary Resolution and Schedule of Pay to Increase Salaries for Pay Plan Category A (Communication Officers Association) Effective March 10, 2019

BACKGROUND

The 2018-2021 Memorandum of Understanding (MOU) with the Communication Officers Association (COA), which represents Public Safety Dispatchers-in-Training, Public Safety Dispatchers and Senior Public Safety Dispatchers, provides for a salary adjustment in 2019 based on market survey data of total compensation for comparable positions in 12 Bay Area cities at the rate of five percent (5%) above the survey average.

EXISTING POLICY

Council Policy 7.3.1 Legislative Management - Goals and Policies, Goal 7.3D: Maintain a quality work force, consistent with state and federal laws, City Charter, and adopted policies in order to assure that City services are provided in an effective, efficient, and high quality manner.

The proposed increases are in accordance with the provisions of the MOU between the City of Sunnyvale and the COA.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" with the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(4) in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

DISCUSSION

The current MOU with COA provides specific language (Article 15 - Wages, Section 15.4) to determine salary adjustments based upon an annual market survey of total compensation for Public Safety Dispatcher in 12 Bay Area cities (i.e., Alameda, Concord, Fremont, Hayward, Milpitas, Mountain View, Palo Alto, Richmond, San Jose, San Leandro, San Mateo and Santa Clara). The survey formula provides that Sunnyvale Public Safety Dispatchers will receive 5% above the survey total compensation average. The survey is conducted during the first 15 days of January, and the salary adjustments are effective the first full pay period following Council approval each year during the term of the MOU.

Based on the COA MOU requirements, and the 2019 compensation survey results (see Attachment 1), it is recommended that the Schedule of Pay of the Salary Resolution be amended to adopt new pay rates for Pay Plan Category A reflecting an increase of 1.65%, effective March 10, 2019.

As these terms and conditions have been negotiated with COA and the City Council approved the MOU, this action is recommended to remain compliant with the MOU.

FISCAL IMPACT

The FY 2018/19 Budget includes assumptions on increases in total compensation, which include salaries, benefits, and retirement. Adjustments in salary also affect salary related benefits, including retirement. The impact of the survey results are within the planned budget for the Department of Public Safety.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

Adopt a Resolution Amending Resolution No. 190-05, the City's Salary Resolution, to Increase Salaries for Pay Plan Category A (Employees Represented by the Communication Officers Association) Effective March 10, 2019.

Prepared by: Vanessa Guerra, Human Resources Manager

Reviewed by: Tina Murphy, Director of Human Resources

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. 01/15/19 COA Total Compensation Survey
2. Resolution Amending the Pay Schedule to Reflect Salary Increases for Pay Plan Category A (Employees Represented by the Communication Officers Association (COA))

Communication Officers Association (COA) - Survey January 2019

PUBLIC SAFETY DISPATCHER - PROJECTED INCREASE

City	Classification	MOU Dates	Salary Effective Date	Top-Step Base Salary	2.0% @ 60 per MOU		City Paid EE PERS		Medical	a)	Total Compensation	
					%	\$	%	\$			Total Benefits	Base Salary + Benefits
Sunnyvale (current)	Public Safety Dispatcher	01/01/18-12/31/21	02/11/18	9,032	0.000%	0.00	4.00%	361.26	815.00		1,176.26	10,207.79
Sunnyvale (new)	Public Safety Dispatcher	01/01/18-12/31/21		9,181	0.000%	0.00	4.00%	367.22	815.00		1,182.22	10,362.79
Alameda	Public Safety Dispatcher	12/27/18 - 6/30/22	01/06/19	7,424			0.00%	0.00	1,997.45	a)	1,997.45	9,421.32
Concord	Police Dispatcher II	07/01/15 - 6/30/19	07/02/18	7,661			0.00%	0.00	1,789.21		1,789.21	9,450.21
Fremont	Police Communications Dispatcher	07/01/17 - 06/30/19	06/24/18	7,980			0.00%	0.00	1,997.45	a)	1,997.45	9,977.75
Hayward	Communications Operator	07/01/18 - 06/30/21	07/01/18	7,453			0.00%	0.00	1,997.45		1,997.45	9,450.78
Milpitas	Communications Dispatcher	01/01/17 - 12/31/21	01/01/19	9,381			0.00%	0.00	1,997.45		1,997.45	11,378.78
Mountain View	Public Safety Dispatcher II	07/01/17 - 06/30/20	07/01/18	8,900			0.00%	0.00	1,997.45	a)	1,997.45	10,897.49
Palo Alto	Public Safety Dispatcher II	12/01/15 - 12/31/18	12/09/17	8,157			0.00%	0.00	1,997.45	a), b)	1,997.45	10,154.52
Richmond	Communications Dispatcher II	07/01/13 - 03/31/16	01/01/15	6,677			0.00%	0.00	1,997.45	c)	1,997.45	8,674.45
San Jose	Public Safety Radio Dispatcher	07/01/18 - 06/30/21	07/01/18	7,517			0.00%	0.00	1,644.96		1,644.96	9,162.43
San Leandro	Public Safety Dispatcher	01/01/16 - 12/31/20	01/01/19	7,344			0.00%	0.00	1,823.76		1,823.76	9,167.76
San Mateo	Dispatcher II	08/12/18 - 06/30/21	10/21/18	8,315			0.00%	0.00	1,797.71		1,797.71	10,112.91
Santa Clara	Public Safety Dispatcher II	12/18/16 - 12/22/18	12/17/17	9,225			0.00%	0.00	1,358.53	d)	1,358.53	10,583.53

NOTES:

0.00

- a) Medical for comparator agencies capped at PEMHCA Kaiser plus 2+ for the Bay Area/Sacramento region.
- b) City of Palo Alto - SEIU contract expired 12/31/18; currently in negotiations
- c) City of Richmond - SEIU contract expired 03/31/16; currently in negotiations
- d) City of Santa Clara - PSNSEA Unit 10 contract expired 12/22/18; currently in negotiations

Salary Calculation Methodology per MOU

MOU Section

15.9.2	Sunnyvale Current Total Compensation:	10,207.79
15.9.3	Average Total Compensation:	9,869.33
15.9.4	Average Total Compensation plus 5.0%	10,362.79
15.9.5	Dollar difference between 15.9.4 and 15.9.2:	155.00
15.9.6	15.9.5 as a percentage of 15.9.2:	1.52%
Percentage to apply to Top-Step Monthly Salary so that 15.9.2 equals 15.9.4:		1.65%

	Dispatcher		Sr. Dispatcher New Rate
	Old Rate	New Rate	
Step 5	52.1050	52.9648	60.9095
	9,031.53	9,180.57	10,557.65
	108,378.40	110,166.81	126,691.83

Tina Murphy 2/14/19
TINA MURPHY, DIRECTOR OF HUMAN RESOURCES DATE

Marianne Siu 2.13.19
Marianne Siu, PRESIDENT OF COA DATE

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF SUNNYVALE AMENDING RESOLUTION NO. 190-05,
THE CITY'S SALARY RESOLUTION, TO INCREASE
SALARIES FOR PAY PLAN CATEGORY A (EMPLOYEES
REPRESENTED BY THE COMMUNICATION OFFICERS
ASSOCIATION (COA))**

WHEREAS, the 2018-2021 Memorandum of Understanding ("MOU") with the Communications Officers Association ("COA"), which represents Public Safety Dispatchers provides for a salary adjustment in 2019 based on market survey data of total compensation for comparable positions in twelve Bay Area cities at the rate of five percent (5%) above the survey average; and

WHEREAS, consistent with the terms of the COA MOU, and the 2019 compensation survey results, the City desires to amend the City's salary resolution and pay (salary) schedules for Pay Plan Category A, to increase the salaries for Public Safety Dispatchers by 1.65%, effective March 10, 2019.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUNNYVALE THAT:

1. Resolution No. 190-05 is hereby amended by amending the text as set forth in Exhibit "A" attached and incorporated by reference.
2. All other provisions of Resolution No. 190-05 shall remain in full force and effect.
3. The Salary Resolution amendments and pay rates noted above shall be effective March 10, 2019.

Adopted by the City Council of the City of Sunnyvale at a regular meeting held on _____, 2019, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

RECUSAL:

ATTEST:

APPROVED:

City Clerk
(SEAL)

Mayor

APPROVED AS TO FORM:

City Attorney

EXHIBIT A

Section 1

City of Sunnyvale Salary Table - Regular Classifications

Draft Salary Table

Job Code	Job Title	Pay Cat.	Range / Scale	Hourly Pay Rates						Annual Range		Effective Date
				Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Minimum	Maximum	
4500	Public Safety Dispatcher	A	200	43.5743	45.7530	48.0406	50.4427	52.9648		90,634	110,167	3/10/19
4525	Public Safety Dispatcher-in-Training	A	205	37.6411	39.5231	41.4993				78,293	86,319	3/10/19
4550	Senior Public Safety Dispatcher	A	201	50.1104	52.6159	55.2467	58.0091	60.9095		104,230	126,692	3/10/19

Notes

Assignments of Grade and Pay Ranges to Pay Plan as Referenced in the Salary Resolution

Category A applies to Public Safety Dispatcher-in-Training, Public Safety Dispatchers, and Senior Public Safety Dispatchers **(COA)**



City of Sunnyvale

Agenda Item

19-0239

Agenda Date: 2/26/2019

REPORT TO COUNCIL

SUBJECT

Appoint Applicants to the Board of Library Trustees and Housing and Human Services Commission

DISCUSSION

The City has ten Council-appointed boards and commissions to recommend and advise City Council on specific policy-related issues for possible Council study and action, and to provide a forum and opportunity for broad community participation in the identification and prioritization of those issues.

The term length for boards and commissions is four years, with staggered terms expiring June 30 of each year. Council makes appointments annually in May/June to fill seats with expiring terms to serve terms effective July 1, and fills vacancies as necessary quarterly throughout the year.

Below is the list of applicants for current vacancies and their preferences as indicated on their application when they applied for more than one board or commission. The term lengths vary, as these openings are to fill unexpired terms due to resignations or vacancies that remained following the previous recruitment process. Terms of members appointed at this time will become effective immediately.

BOARD OF LIBRARY TRUSTEES (1 vacancy: term expires 6/30/2021)

Jefferey Brenion (only preference)
Rahul Jain (only preference)
Narottam Joshi (2nd preference)
Sharlene Wang (only preference)

HOUSING AND HUMAN SERVICES COMMISSION (1 vacancy: term expires 6/30/2022)

Narottam Joshi (3rd preference)

Per Council Policy 7.2.19, *Boards and Commissions* - appointments of board and commission members are placed on the City Council meeting agenda. The appointment process is conducted by one of the following two methods, at the discretion of the Mayor:

1. Individual Candidate Votes: The Mayor will announce by board or commission each vacancy including its term, and then will read each applicant's name. Council will vote on each applicant. The candidate receiving the most affirmative votes and at least four affirmative votes will be appointed. The process is repeated for each board or commission.
2. Paper Votes: The Mayor will announce each board or commission in an order predetermined by the City Clerk to facilitate a speedy process and to accommodate applicants who specify multiple preferences. The City Clerk will distribute individual voting sheets to be

completed by each Councilmember. The candidate receiving the most votes and at least four affirmative votes will be appointed.

Resolving ties: Should a tie between the candidates receiving the most affirmative votes occur, the affected applicants will be voted on again. If a tie remains, and the affected applicants each have received at least four affirmative votes, the Mayor would ask the City Attorney to draw the name of the person to be appointed.

Should no candidate receive at least four affirmative votes, the vacancy will remain.

Following appointments, the staff liaison for each board or commission will provide a board/commission-specific orientation and each new member is required to take the Oath of Office, sign the Model of Excellence and attend the Board and Commission Orientation hosted by the Office of the City Clerk. A ceremonial oath will be offered to all incoming members.

EXISTING POLICY

Council Policy 7.2.19 *Boards and Commissions* - regarding the appointment of board and commission members to allow for *paper votes* or individual candidate votes, at the discretion of the Mayor.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

ALTERNATIVES

1. Appoint commissioners from the applicants listed in this report.
2. Provide other direction to staff on how to proceed.

STAFF RECOMMENDATION

Staff makes no recommendation.

Prepared by: Kathleen Franco Simmons, City Clerk

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager



City of Sunnyvale

Agenda Item

19-0044

Agenda Date: 2/26/2019

REPORT TO COUNCIL

SUBJECT

Update on California Voting Rights Act Community Education and Outreach and Potential Direction on Next Steps for City Council By-District Elections

BACKGROUND

On September 5, 2018, the City Council held a public hearing regarding changing from the City's current at-large with numbered seats system for electing City Council members to a district-based form of elections (RTC No. 18-0776). Council directed staff to scope a public outreach and education plan for receiving public input on transitioning to district-based elections, with the goal of placing a measure on the November 2020 ballot for voters to decide whether to amend the City Charter to change from at-large with numbered seats to district-based elections.

On October 9, 2018, the City received a certified letter from attorney Laura Ho of the law firm Goldstein, Borgen, Dardarian & Ho, alleging on behalf of potential plaintiff Samir Kalra that the City's current electoral system violates the California Voting Rights Act ("CVRA") because it "dilutes the voting power of Asian American voters."

On November 20, 2018, Council adopted a resolution of intent to change to district-based elections pursuant to Elections Code section 10010, which provides a 90-day "safe harbor" period during which the City cannot be sued. In adopting that resolution, the Council restated its prior direction to move forward with a change to district based elections, and its commitment to do so with public outreach and engagement, and identified possible election dates of March 2020 or November 2020 for amending the City Charter to allow for by-district elections. However, the Council did not make a final determination about the timing and substance of such a ballot measure.

On December 11, 2018, Council adopted the community outreach plan and directed staff to return in February 2019 with an update on initial outreach. On January 18, 2019, the City received a second letter (Attachment 1) from Ms. Ho notifying the City that her firm now represents three additional potential plaintiffs who are Sunnyvale residents, Galen Kim Davis, Kathy Higuchi, and Bowman Ching, who are joining the original CVRA challenge.

This report summarizes outreach efforts since December 2018, discusses the legal issues and risks associated with determining the election date for a Charter amendment, and provides alternatives for the Council to consider to address those issues.

DISCUSSION

Outreach Summary

Based on the community outreach plan adopted by Council, staff has worked closely with consultant

Placeworks to begin engaging Sunnyvale residents as part of Phase I of the Outreach Plan. The purpose of Phase I is to educate the community about the CVRA, the process to move to district elections, and receive public input on the following specific issues:

- The preferred timeline for submitting a charter measure proposing a change to district-based elections to the voters, either on the March 2020 or November 2020 ballot.
- Preferences related to number of districts. For example, seven districts, six districts with an at-large mayor, or some other composition.
- Other considerations for a charter amendment(s), including preferences related to future redistricting.
- Standards and criteria the community considers important in establishing districts.

Below is a summary of Phase I outreach efforts:

Education Workshops

Two introductory Open Houses were held on Wednesday, February 6 at the Sunnyvale Community Center and Saturday, February 9 at Columbia Middle School. The purpose of these Open Houses was to educate the community about the CVRA, how it impacts Sunnyvale, and options for responding to a CVRA lawsuit. The meetings had a drop-in format with informational poster boards that allowed participants to gather information and ask questions at their own pace in addition to offering a short overview presentation followed by a question and answer period.

The overview presentation was also given at a regularly scheduled quarterly meeting of Neighborhood Association leaders representing Sunnyvale's 28 Neighborhood Associations on February 11, 2019. This gave the Neighborhood leaders an opportunity to learn and ask questions about the issue. Staff also shared upcoming outreach efforts and requested that leaders share this information with their neighbors.

Over 60 community members participated in the these initial education efforts. After each presentation, participants were asked to fill out a voluntary survey. A total of 36 responses were received. Survey data results indicate that participants learned of the meetings in a variety of different ways, including social media, the Mercury News, City emails, and Council announcements. Participants were also asked if they preferred to vote on a Charter Amendment in March 2020 or November 2020 with 81% of respondents preferring March over November. The survey also included optional demographic questions to gage the effectiveness of outreach efforts to engage all Sunnyvale demographics. All respondents reported being Sunnyvale residents with varied household incomes. However, respondents were older, whiter, and more likely to live in central or south Sunnyvale.

Citizen's Advisory Committee

Council appointed nine members and one alternate to the Citizen's Advisory Committee (CAC) on February 5, 2019. The first CAC meeting was held on February 20, 2019 and was open to the public. The CAC provided input on methods and key community contacts for outreach. Results from the option demographic questions in the survey show that more needs to be done to increase participation from Asian and Latino residents as well as residents from North Sunnyvale. Our goal is that the CAC can play a critical role in engaging these hard to reach communities.

Community Input Workshops

The City is hosting three Community Input Workshops to gather feedback on preferences related to number of districts, with options for seven districts, six districts with a directly-elected at-large mayor, or some other composition; criteria and standards important to the community for establishing district boundaries; and other considerations for City voters, including preferences related to future redistricting.

- Input Workshop #1: March 21, 2019, 6:00 p.m. at Sunnyvale Community Center - Ballroom, 550 E. Remington Dr., Sunnyvale
- Input Workshop #2: April 4, 2019, 6:00 p.m. at Lakewood Park Building, 834 Lakechime Dr., Sunnyvale
- Input Workshop #3: April 11, 2019, 6:00 p.m. at Murphy Park Building, 250 N. Sunnyvale Ave., Sunnyvale

Pop-Up Events

These special outreach efforts provide an opportunity to engage residents who are already attending another event or gathering by going to where people are rather than asking them to come to us. Each interaction will provide an opportunity for the participant to learn more, provide input, and encourage further engagement. Many of our scheduled pop-ups are purposely located at venues where hard-to-reach communities congregate. Nine of the ten pop-up events have been confirmed:

- March 2, 2019, 10:00 a.m. - 12:00 p.m. at Columbia Neighborhood Center, 785 Morse Ave., Sunnyvale
- March 2, 2019, 10:00 a.m. - 2:00 p.m. at Shiv Durga Temple, 1170 Kern Ave., Sunnyvale
- March 12, 2019, 5:00 - 8:00 p.m. at Chung Tai Zen Center, 50 E Arques Ave., Sunnyvale
- March 16, 2019, 9:00 a.m. - 1:00 p.m. at Sunnyvale Farmers' Market, 121 West Washington Ave., Sunnyvale
- March 27, 2019, 11:00 a.m. - 3:00 p.m. at Sunnyvale Community Center - Community Room, 550 E Remington Dr., Sunnyvale
- March 28, 2019, 6:00 - 8:00 p.m. at Homestead Park Apartments, 1601 Tenaka Pl., Sunnyvale
- April 6, 2019, 10:00 a.m. - 1:00 p.m. at Sunnyvale Library, 665 W Olive Ave., Sunnyvale
- April 24, 2019, 7:00 - 8:00 p.m., Mobile Home Park Alliance (location TBD)
- April 27, 2019, 11:00 a.m. - 3:00 p.m., Fit and Fun Fair, Columbia Neighborhood Center, 785 Morse Ave., Sunnyvale

Staff anticipates returning to Council in June with a report on Phase I community input and seek direction on the substance of a ballot measure, including the number of districts.

Update on Legal Issues

On November 20, 2018, City Council adopted a Resolution of Intent pursuant to Elections Code section 10010 to switch to district-based elections. The legal effect of that action was to create a 90-day "safe harbor" period during which the potential plaintiffs were prohibited from filing a CVRA action against the City. The safe harbor period was due to expire on February 18, 2019, before the initial

community outreach efforts were scheduled to be complete.

The January 18, 2019 letter adding three new potential plaintiffs does not have any legal impact to that timeline, but is notable for a few reasons. The fact that three new Sunnyvale residents joined the case as potential plaintiffs suggests that there may be broader concern in the community related to maintaining the City's at-large with numbered seat election system. It also reinforces the previous statements of the potential plaintiffs that they are committed to a process that results in the first district elections in Sunnyvale occurring in November 2020. They stated this directly to the Council at the December 11, 2018 meeting. Their recent letter states that "we remain concerned that the City's current transition and outreach plan does not provide a reliable timeline for the implementation of a new election system by November 2020," and suggests that this meeting "would be an opportune time for the City to resolve that the change to district elections will be implemented in time for the November 2020 election."

They recently agreed to extend the safe harbor period through March 29, 2019. After that date they could file a CVRA lawsuit against the City. While representatives of the potential plaintiffs have been actively cooperating with the City on the community outreach efforts, they have also consistently made clear that they are not willing to compromise on their goal of implementation of by-district elections in November 2020. Consequently, staff believes that there is a very high likelihood that the potential plaintiffs will file a CVRA lawsuit sometime after March 29, 2019, if the Council does not take follow up action to choose March 2020 as the date for an election proposing a Charter amendment to change to by-district elections, or if the Council chooses November 2020 as the date for the charter measure.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" with the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines sections 15320, 15378 and 15061 (b)(3) as it is an organizational structure change and does not have the potential to result in either a direct or reasonable foreseeable indirect physical change in the environment.

FISCAL IMPACT

No new fiscal impacts are anticipated at this time from the issues discussed in this report.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

ALTERNATIVES

After hearing the update on community outreach, the Council has the option of providing additional direction to staff regarding details of changing to by-district elections, which may include the following alternatives:

1. Direct staff to return before March 29, 2019 with an amendment to the Resolution of Intent to Change to By-District Elections setting a March 2020 election for amending Article VI of the Charter.
2. Direct staff to return before March 29, 2019 with an amendment to the Resolution of Intent to

Change to By-District Elections setting a November 2020 election for amending Article VI of the Charter.

3. Take no action to amend the Resolution of Intent to change to By-District Elections.
4. Other action as determined by the Council.

RECOMMENDATION

Alternative 1: Direct staff to return before March 29, 2019 with an amendment to the Resolution of Intent to Change to By-District Elections setting a March 2020 election for amending Article VI of the Charter.

Alternative 1 would put the City on the path toward the potential plaintiffs' desired outcome of the first district elections in November 2020. Alternatives 2, 3 and 4 would likely result in a CVRA lawsuit against the City of Sunnyvale. In addition, because there is a significant amount of time before the November 2020 election, it is likely that any lawsuit would be put on a track for resolution before that election.

Prepared by: Melissa C. Tronquet, Assistant City Attorney;
Jaqui Guzmán, Deputy City Manager

Reviewed by: John Nagel, City Attorney

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager

ATTACHMENT

1. January 18, 2019 Letter Adding Potential Plaintiffs

Shareholders
Linda M. Dardarian
Laura L. Ho
James Kan



Of Counsel
Barry Goldstein
David Borgen
Morris J. Baller

January 18, 2019

Certified Mail, Return Receipt Requested

City of Sunnyvale
City Clerk
603 All America Way
Sunnyvale, CA 94088-3707

Re: Notice of California Voting Rights Act Violation

Dear City Clerk:

By letter dated October 2, 2018 and sent by certified mail, we notified the City of Sunnyvale ("City") on behalf of our client Samir Kalra that the City's at-large method of electing members of the seven-seat City Council, in addition to the existence of racially polarized voting, violates the California Voting Rights Act ("CVRA"). We write again to notify the City that we represent three additional Sunnyvale residents and voters who join Mr. Kalra in his CVRA challenge to the City's at-large election system: Galen Kim Davis, an active voice in the Sunnyvale community on this issue and involved parent in local youth sports; Kathy Higuchi, a long-time resident and civil rights advocate; and Bowman Ching, a long-time resident and civil rights advocate. This letter is sent on behalf of Mr. Davis, Ms. Higuchi, and Mr. Ching pursuant to Elections Code section 10010(e)(1).

The CVRA states, in pertinent part:

An at-large method of election may not be imposed or applied in a manner that impairs the ability of a protected class to elect candidates of its choice or its ability to influence the outcome of an election, as a result of the dilution or abridgment of the rights of voters who are members of a protected class.

Cal. Elec. Code § 14027. Asian American voters are a "protected class" within the meaning of the CVRA. *See* Cal. Elec. Code § 14026; Office of Management & Budget, Revisions to the Standards for the Classification of Federal Data on Race & Ethnicity, 62 Fed. Reg. 58782, 58789 (Oct. 30, 1997).

Asians and Asian Americans are 44.84% of the City's total population¹ and about 33% of the City's eligible voters² (*i.e.* citizen voting age population), yet six of the seven current City

¹ 2013-2017 American Community Survey 5-year Estimates. The most recent ACS 5-year Estimate was released on December 6, 2018, so the cited statistics have been updated from our October 2, 2018 letter.

² 2013-2017 American Community Survey 5-year Estimates. Approximately 46.99% of the City's eligible voters are White.

January 18, 2019

Councilmembers are White. In Sunnyvale's history, only three Asian American candidates have been elected onto the City Council.

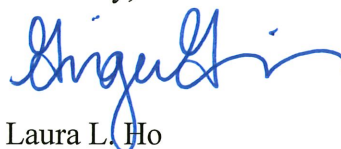
We believe that Asian American voters in Sunnyvale have been unable to elect the candidates of their choice to the City Council because of the City's use of at-large elections with numbered posts in combination with racially polarized voting patterns. We also believe that the existence of these racially polarized voting patterns can be demonstrated, based on election results for the City Council and other elections in which Sunnyvale residents voted. In order for Asian American voters to have a fair opportunity to elect their preferred candidates, the City must change its election system.

In our October 2 letter, we commended the City for initiating steps to change its election system. Today we commend the City on its efforts to do robust community education and outreach, and we will continue to work with the City and its consultant to ensure the City's outreach brings the widest possible range of Sunnyvale residents into the process. However, we have also been clear, and remain adamant, that the City's transition to district-based elections must happen in advance of the November 2020 election to prevent any further dilution of Asian American votes.

We remain concerned that the City's current transition and outreach plan does not provide a reliable timeline for the implementation of a new election system by November 2020. Members of our team, including Richard Konda of Asian Law Alliance, Ginger Grimes of Goldstein, Borgen, Dardarian & Ho, claimant Samir Kalra, and new claimant Galen Kim Davis, testified at the Council's December 11, 2018 meeting to voice our concerns about the City's public outreach plan and the City's refusal to commit to a transition ahead of the November 2020 election cycle. We reiterated our position in a letter to the City Council dated December 13, 2018. During the December 11 meeting, the City expressed interest in a follow-up special session related to its public outreach plan, tentatively scheduled around February 2019. This would be an opportune time for the City to resolve that the change to district elections will be implemented in time for the November 2020 election, whether approved by Sunnyvale voters or adopted through other means.

We look forward to continuing to work with the City and Sunnyvale's diverse communities on a timely transition that incorporates robust community participation and results in a new election system that empowers all Sunnyvale voters.

Sincerely,



Laura L. Ho
Ginger L. Grimes
GOLDSTEIN, BORGEN, DARDARIAN & HO

Richard Konda
ASIAN LAW ALLIANCE

January 18, 2019

Jonathan Stein
ASIAN AMERICANS ADVANCING JUSTICE –
ASIAN LAW CAUCUS

LLH/kbm

cc: Office of the City Clerk
P.O. Box 3707
Sunnyvale, CA 94088-3707

John Nagel, City Attorney
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City of Sunnyvale

Agenda Item

19-0072

Agenda Date: 2/26/2019

REPORT TO COUNCIL

SUBJECT

Adopt a Resolution Approving the 2018 Amendments to the Water Supply Agreement (WSA) between the City and County of San Francisco (SFPUC) and the Wholesale Customers in Alameda County, San Mateo County, and Santa Clara County.

BACKGROUND

The City of Sunnyvale purchases approximately 50% of its water supply (9 million gallons per day) from the SFPUC's Hetch Hetchy System under the terms of the WSA. The WSA between the City and County of San Francisco and Wholesale Customers in Alameda County, San Mateo County, and Santa Clara County was approved by the City Council on June 9, 2009 (RTC No. 09-154) and is set to expire in 2034. The WSA delineates the terms under which the City purchases water, including water supply (quantity) and water quality, and all aspects of the SFPUC rate-setting process.

The City is a member of Bay Area Water Supply and Conservation Agency (BAWSCA), a special district that represents the interests of the 26 water agencies that purchase SFPUC water. In the course of implementing the WSA, it became clear to BAWSCA and the SFPUC, that several amendments were needed to address substantive, important, and discrete issues (Attachment 2). These amendments do not diverge from the existing policies and spirit of the WSA and do not change the basic contract structure or concede any of Sunnyvale's rights under the contract.

BAWSCA and SFPUC initially identified eight amendments of the greatest importance to each agency. On September 11, 2018 (RTC No. 18-0630), the City Council adopted a resolution authorizing BAWSCA to negotiate the eight proposed amendments to the WSA with the SFPUC. After 10 weeks of negotiations BAWSCA and SFPUC agreed on seven amendments to the WSA. The eighth amendment on Debt Coverage Ratio (DCR) which was of interest to the SFPUC was dropped.

On December 11, 2018, the SFPUC approved the amended and restated WSA, pending approval by the requisite number of BAWSCA agencies. Eighteen out of the 26 BAWSCA agencies with a combined minimum purchase of 75% of the water, must approve the amendments along with the SFPUC, and any amendment that does not garner such approval will not go into effect.

To facilitate approval of the amendments, Attachment 1 is a resolution for Council's consideration and approval.

EXISTING POLICY

City of Sunnyvale General Plan-Environmental Management, Chapter 7

GOAL EM-1 Adequate Water Supplies - Acquire and manage water supplies so that existing and future reasonable demands for water, as projected in the 20-year forecast, are reliably met.

Policy EM-1.1 Water Supply - Manage water supply to meet demands for potable water through the effective use of water supply agreements.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(5) as is an organizational or administrative activity that will not result in direct or indirect physical changes to the environment.

DISCUSSION

The seven amendments that were of greatest importance to each agency are shown and detailed in Attachment 2. Below is a brief discussion and analysis of each amendment:

1. Oversight of SFPUC's Capital Improvement Program (CIP) (2009 WSA new Section 6.09):

The Wholesale Customers have had some oversight of the Water System Improvement Program (WSIP), both through the enactment of AB 1823 (2002), and through quarterly meetings and public reporting. As WSIP nears completion, the SFPUC's Capital Improvement Program (CIP) is expanding to achieve a sustainable rate of repair and replacement consistent with overall asset management of the System and SFPUC's adopted Level of Service Goals. This amendment adds a new section to the WSA obligating SFPUC to formally engage with BAWSCA on its 10-year CIP development. This amendment ensures that BAWSCA and the Wholesale Customers are involved in the development of the 10-year CIP, have the opportunity to comment on proposed changes to the Level of Service Goals, requires the SFPUC to create an asset management policy applicable to the Regional Water System by December 31, 2020, and commits the SFPUC to quarterly reporting and meetings on CIP implementation.

2. Tier 1 Drought Allocation Plan (2009 WSA Attachment H Section 2.1):

The 1984 Agreement required the SFPUC and the Wholesale Customers to develop a Shortage Allocation Plan during droughts. The plan was approved in 2000 for average system wide shortages of up to 20%. Under the plan, the SFPUC allocates the available water supply during droughts between Retail and Wholesale Customers (the "Tier 1 allocation") for incremental shortages of 5, 10, 15 and 20 percent. The Wholesale Customers then collectively allocate the wholesale portion of the available supply among themselves (the "Tier 2 allocations").

Various factors that affect this formula have changed since 2009, particularly the proportionate purchases from the System from San Francisco Retail and Wholesale Customers. If the Tier 1 allocation had been applied during the 2014-2017 drought, San Francisco's retail customers would have received a positive allocation of water. The Tier 1 Drought Allocation Plan amendment includes a modest change to the existing formula to ensure that, in the event of a cutback, San Francisco retail customers do not receive a positive allocation of water and will take a minimum 5% cutback. Any positive allocation of water would be re-distributed to Wholesale Customers; additional water conserved by retail customers up to the minimum 5% level would remain in storage for allocation in future successive dry years.

3. 2018 Decisions (2009 WSA Sections 3.13, 4.01, 4.05, 4.06, 9.06, Attachment Q):

The 1984 Agreement memorialized the perpetual 184 million gallons per day (mgd) "Supply Assurance" to the Wholesale Customers which survives the expiration or termination of the 2009 Agreement. The Supply Assurance is subject to reduction due to drought, emergencies and system maintenance/malfunction. The Wholesale Customers have allocated shares of the Supply Assurance called "Individual Supply Guarantees." Sunnyvale's Individual Supply Guarantee is 12.58 mgd.

The SFPUC delivers water to the northern portions of the cities of San Jose and Santa Clara on a temporary and interruptible basis in accordance with individual contracts with these cities. To date, the SFPUC has not exercised its contractual right to terminate or reduce water supply to San Jose and Santa Clara, nor has it agreed to make either of the cities a permanent customer. Accordingly, San Jose and Santa Clara do not have Individual Supply Guarantees.

The WSA required that by December 31, 2018, the SFPUC was to decide whether to make San Jose and Santa Clara permanent customers and whether to offer additional supply to other Wholesale Customers. Currently, there is insufficient data for the SFPUC to make these decisions. This amendment will extend the deadline for SFPUC to decide to December 31, 2028 and obligate SFPUC to provide annual updates to its Commission regarding developing permanent supply for San Jose and Santa Clara.

The amendment also expands Santa Clara's service area map for operational purposes.

4. Asset Classification (2009 WSA new Section 5.11 and definitions and Attachment R; revisions to Section 4.07):

A basic principle of the 1984 Agreement involved the classification of Regional Water System assets used to serve Retail and Wholesale Customers. Asset classification is critical to the allocation of Hetch Hetchy Enterprise capital and operating costs to separate out the Power function, the costs for which have never been paid by Wholesale Customers. "Upcountry" Regional Water System assets, which are generally those assets located in the Tuolumne, Stanislaus, and San Joaquin counties, are classified as Water, Power, or Joint. For Joint upcountry assets that have both power and water benefits, costs are split 55% to the Power Enterprise and 45% to the Water Enterprise. Wholesale and Retail Customers then pay for the water portion based on their proportional purchases of water. The 1984 Agreement was a legal settlement that included a list of Hetch Hetchy asset classifications. These classifications were incorporated into the 2009 Agreement without change.

In FY 2010/2011, SFPUC unilaterally changed the classification and the related cost allocation of a small number of assets of the System. BAWSCA disputed this decision and, rather than submit the dispute to arbitration, the parties negotiated a resolution. This amendment documents and fixes the classification of all significant "upcountry" existing assets of the Regional Water System and limits the changes from historical classifications for seven specific and known projects on five assets, without changing the classification of the underlying asset. This facilitates efficient contract administration and limits and mitigates Wholesale Customer exposure to financial risks on certain projects.

5. Wholesale Capital Fund (2009 WSA, Section 6.08 E and Attachment M-3):

Under the 2009 WSA, funds for capital projects are appropriated and placed into the Wholesale Capital Fund upon appropriation. The balance of the Fund is reviewed at 5-year intervals beginning in FY 2014-15, and any excess balance (unexpended, unencumbered amount more than 10% of appropriation) is transferred to the balancing account.

In implementing the reconciliation of the Wholesale Capital Fund, SFPUC discovered that the reconciliation timing did not conform to the SFPUC's budget requirements, appropriation process, and project spending needs. For instance, if funding is appropriated for a project in year four of the 5-year review period, it may result in return of funds after only 1 year even though the project may take several years to complete.

This amendment provides for an annual reconciliation of costs to ensure that SFPUC has the necessary resources for capital improvements, without holding an excessive amount of Wholesale Customer funds.

6. WSIP Completion Date (2009 WSA Section 3.09):

The WSA contained an outdated WSIP completion date. This amendment updates the WSIP completion date to December 30, 2021, as adopted by the SFPUC's Commission in March of 2018.

7. Regional Groundwater Storage and Recover Project (RGSRP) (2009 Agreement, Section 3.17):

This amendment updates the RGSRP contract provisions to better reflect how the RGSRP will be operated and to outline the cost-allocation responsibilities shared by the RGWRP's partner agencies. This project allows the extraction of up to 7.5 mgd from wells located in San Mateo County during a drought.

In addition to the substantive amendments set forth above, the attached amended and restated Water Supply Agreement (Attachment 3) includes several non-substantive updates and "clean-up" revisions, as set out below:

- Updated Attachment A, reflecting new and revised definitions.
- Updated Attachment C, reflecting recent Individual Supply Guarantee transfers.
- Updated Attachment K, reflecting the updated Wholesale Customers' share of Net Book Value of Existing Assets and share of Revenue-Funded Capital Expenditures;
- New section 3.18, reflecting the Hetch Hetchy Amendment approved in 2013.
- Revised section 8.04, reflecting the authority previously delegated by the Wholesale Customers to BAWSCA in 2014 to initiate, defend, and settle arbitration for matters subject to arbitration under the WSA.
- Updates reflecting Cal Water's acquisition of Skyline County Water District.
- Updates to the addresses for both BAWSCA and SFPUC.

FISCAL IMPACT

There is no adverse fiscal impact associated with adopting the attached Resolution approving the WSA amendments and the restated WSA.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

ALTERNATIVES

1. Adopt a resolution approving the seven amendments and the attached “Amended and Restated Water Supply Agreement between the City and County of San Francisco Wholesale Customers in Alameda County, San Mateo County, and Santa Clara County” dated November 2018 and authorize the City Manager to execute such Agreement when final execution copies are prepared and distributed by the Bay Area Water Supply and Conservation Agency and find the Action does not constitute a “project” within the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378(b)(5) as it is an organizational or administrative activity that will not result in direct or indirect physical changes to the environment.

2. Take no action

STAFF RECOMMENDATION

Alternative 1: Adopt a resolution approving the seven amendments and the attached “Amended and Restated Water Supply Agreement between the City and County of San Francisco Wholesale Customers in Alameda County, San Mateo County, and Santa Clara County” dated November 2018 and authorize the City Manager to execute such Agreement when final execution copies are prepared and distributed by the Bay Area Water Supply and Conservation Agency and find the Action does not constitute a “project” within the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378(b)(5) as it is an organizational or administrative activity that will not result in direct or indirect physical changes to the environment.

Prepared by: Mansour Nasser, Water & Sewer Division Manager

Reviewed by: Ramana Chinnakotla, Director, Environmental Services Department

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. A Resolution Approving the 2018 Amendments to the Water Supply Agreement (WSA) between the City and County of San Francisco (SFPUC) and the Wholesale Customers in Alameda County, San Mateo County, and Santa Clara County.
2. The Seven 2018 Water Supply Agreement Amendments
3. 2018 Redlined and Restated Water Supply Agreement



RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF SUNNYVALE APPROVING AMENDMENTS TO THE
WATER SUPPLY AGREEMENT BETWEEN THE CITY
AND COUNTY OF SAN FRANCISCO AND WHOLESALE
CUSTOMERS IN ALAMEDA COUNTY, SAN MATEO
COUNTY, AND SANTA CLARA COUNTY**

WHEREAS, water supply agencies in Alameda, San Mateo and Santa Clara Counties have purchased water from the City and County of San Francisco (San Francisco) for many years; and

WHEREAS, the San Francisco Public Utilities Commission (SFPUC or Commission) Water Enterprise operates the Regional Water System, which delivers water to communities in Alameda, San Mateo and Santa Clara Counties, as well as to customers within San Francisco (collectively, "the Parties"); and

WHEREAS, the Parties entered into the "Settlement Agreement and Master Water Sales Contract between the City and County of San Francisco and Certain Suburban Purchasers in San Mateo County, Santa Clara County and Alameda County" in 1984; and

WHEREAS, in April 2003, water supply agencies in Alameda, San Mateo and Santa Clara Counties established the Bay Area Water Supply and Conservation Agency (BAWSCA), as authorized by Water Code Section 81300 *et seq.*; and

WHEREAS, upon expiration of the 1984 "Settlement Agreement and Master Water Sales Contract," the Parties entered into the "Water Supply Agreement between San Francisco and Wholesale Customers in Alameda County, San Mateo County, and Santa Clara County" ("Water Supply Agreement") on July 1, 2009, authorized by SFPUC Resolution No. 09-0069; and

WHEREAS, on September 11, 2018, this Council, by Resolution No. 897-18, delegated authority to BAWSCA to act as its authorized representative in discussions and negotiations with San Francisco to amend the Water Supply Agreement; and

WHEREAS, each of the other 25 entities which are members of BAWSCA similarly delegated negotiating authority to BAWSCA; and

WHEREAS, BAWSCA has submitted periodic reports to the City on progress during the negotiations and has provided detailed briefings on all significant elements of the amendments; and

WHEREAS, the Parties now desire to adopt an amended and restated Water Supply Agreement in order to:

- (1) require the SFPUC to adhere to a formal program to engage with BAWSCA on its 10-year CIP development;
- (2) adjust the provisions of the Water Shortage Allocation Plan regarding the initial allocation of water during shortages between San Francisco Retail and Wholesale water customers;
- (3) extend the December 31, 2018 deadline for the SFPUC to complete a water supply planning process and decide whether or not to (a) grant permanent customer status to the cities of San Jose and Santa Clara, dedicating a permanent share of the SFPUC water supply to these two wholesale customers, who currently have temporary, interruptible status, and (b) increase the 184 mgd Supply Assurance created as a permanent dedication of water supply in the 1984 "Settlement Agreement and Master Water Sales Contract" and carried forward into the 2009 Water Supply Agreement (collectively "the 2018 Decisions");
- (4) change the classification of certain Hetch Hetchy Water and Power capital projects, adjusting the amount of capital funding to be provided towards these projects by the Parties and the SFPUC Power Enterprise through the term (June 30, 2034) of the Water Supply Agreement;
- (5) modify provisions related to the SFPUC's administration of the Wholesale Capital Fund to more closely align with the historic rate of capital project spending by the SFPUC and prevent volatility in the annual determination of the Wholesale Revenue Requirement;
- (6) extend the estimated timing of the completion of the WSIP to reflect the currently adopted program completion date;
- (7) clarify the cost allocation and water accounting provisions used for the Regional Water System's Groundwater Storage and Recovery Project; and

WHEREAS, in addition to the substantive modifications set forth above, the amended and restated Water Supply Agreement also includes a number of non-substantive updates and revisions to incorporate previously approved modifications, such as the First Amendment to the Water Supply Agreement, adopted in 2013 as new Section 3.18, prohibiting San Francisco from draining Hetch Hetchy Reservoir or decommissioning O'Shaughnessy Dam without securing Wholesale Customer approval in the form of an amendment; and

WHEREAS, in 2008, through SFPUC Resolution No. 08-0200, San Francisco approved the Water System Improvement Program (WSIP) to upgrade San Francisco's regional and local water system and achieve Level of Service Goals and Objectives, which include meeting average annual water demand of 265 million gallons per day (mgd) through 2018; reevaluation of forecasted 2030 Regional Water System demand projections and water supply options by 2018, and SFPUC decision in 2018 regarding Regional Water System deliveries after 2018; and meeting dry year delivery needs while limiting rationing to a maximum of twenty percent system wide during droughts; and

WHEREAS, prior to approval of the WSIP, San Francisco prepared a program environmental impact report (PEIR) for the WSIP in compliance with the California Environmental Quality Act (CEQA) and the San Francisco Planning Commission certified the WSIP Final PEIR in Planning Commission Motion No. 17734; and

WHEREAS, the Wholesale Customers reviewed the Final PEIR and CEQA findings and, in conjunction with approval of the Water Supply Agreement in 2009, the Wholesale Customers also adopted CEQA findings that were relevant to each Wholesale Customer's decision to approve the WSA; and

WHEREAS, the amendments considered now are not a "project" for the purposes of CEQA as they involve an administrative activity that does not result in a direct change to the environment (see 14 CCR Section 15378(b)(5)), and would not result in a direct or reasonably foreseeable indirect physical change in the environment (see 14 CCR Section 15060(c)(2)); and

WHEREAS, the Parties recognize that, both before and after the most recent statewide drought, after meeting drought-related conservation mandates, several BAWSCA member agencies were unable to meet their respective minimum purchase requirements described in Article 3.07 of the Water Supply Agreement, which requires payment for water below the required minimum purchase level even if such water is not delivered and used; and

WHEREAS, BAWSCA and San Francisco have identified intra system water transfers in general as one potential solution to long-term water reliability needs among the Wholesale Customers, and Section 3.04 of the Water Supply Agreement provides a simplified process for permanent Individual Supply Guarantee (ISG) transfers among certain Wholesale Customers; and

WHEREAS, several of the Wholesale Customers with minimum purchase requirements might be interested in transferring water within their respective ISGs, if doing so would also reduce their minimum purchase requirements and corresponding financial impact of paying for water that is not used; and

WHEREAS, the Parties to the Water Supply Agreement have a collective interest in working to promptly identify a resolution to this as part of a future contract amendment; and

WHEREAS, BAWSCA and San Francisco will begin discussions to address this issue commencing in January 2019; and

WHEREAS, San Francisco's currently adopted WSIP program completion date is December 30, 2021; and

WHEREAS, one of the remaining final projects in the WSIP, the Alameda Creek Recapture Project, is the subject of a revised environmental impact report that has not yet been published for public review and comment; and

WHEREAS, on April 3, 2018, the Wholesale Customers provided formal comment to the SFPUC, as part of its action to adopt the most recent WSIP completion date, that the proposed WSIP completion date and accompanying construction schedule extension date for the Alameda Creek Recapture Project to December 30, 2021, may not be sufficient to accommodate any project modifications that might be necessary as a result of the ongoing revised environmental

analysis, increasing uncertainty associated with the adequacy of the Project schedule as proposed by the SFPUC; and

WHEREAS, the SFPUC has indicated that it's Hetch Hetchy Local Simulation Model (HHLSM) hydrologic modeling identifies the supply yield anticipated by the Alameda Creek Recapture Project as critical to achieving and maintaining drought year reliability and achieving the WSIP Water Supply Level of Service Goal; and

WHEREAS, the Wholesale Customers acknowledge that the Alameda Creek Recapture Project cannot proceed to construction until environmental review under CEQA is successfully completed, and the past practice of BAWSCA has been to support extensions of individual WSIP project schedules and overall WSIP scheduled completion, including past extensions for the Alameda Creek Recapture Project, if supported by technical and other analysis as necessary to successfully complete the project and achieve project objectives; and

WHEREAS, BAWSCA intends to act in a manner that represents the best interests of all of its member agencies' water supply while avoiding any harm alleged by any one member agency's water supply as a result of any future action by SFPUC; and

WHEREAS, the Wholesale Regional Water System Security and Reliability Act (AB 1823, Water Code Section 73500 *et seq.*) continues the Legislature's oversight of SFPUC's implementation of the regional projects included in WSIP through January 1, 2022; and

WHEREAS, BAWSCA intends to ask the Legislature again to extend its oversight of the WSIP program in anticipation of the SFPUC's need to extend the WSIP completion date to accommodate individual project schedules with reasonable delays, such as the Alameda Creek Recapture Project; and

WHEREAS, an amended and restated Water Supply Agreement, in the form negotiated by BAWSCA, was presented to and approved by the Commission on December 11, 2018.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF SUNNYVALE FINDS AS FOLLOWS:

1. The City Council approves the modifications included in the attached amended and restated "Water Supply Agreement Between the City and County of San Francisco Wholesale Customers in Alameda County, San Mateo County, and Santa Clara County" dated November 2018 (Amended and Restated Water Supply Agreement).
2. The City Manager is authorized and directed to sign the Amended and Restated Water Supply Agreement, in the form previously approved by the San Francisco Public Utilities Commission and attached hereto.

Adopted by the City Council at a regular meeting held on _____, by the following
vote:

AYES:
NOES:
ABSTAIN:
ABSENT:
RECUSAL:

ATTEST:

APPROVED:

City Clerk
(SEAL)

Mayor

APPROVED AS TO FORM:

City Attorney

**AMENDED AND RESTATED
WATER SUPPLY AGREEMENT
between
THE CITY AND COUNTY OF SAN FRANCISCO
and
WHOLESALE CUSTOMERS
in
ALAMEDA COUNTY, SAN MATEO COUNTY AND
SANTA CLARA COUNTY**

NOVEMBER 2018

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AMENDED AND RESTATED

WHOLESALE WATER SUPPLY AGREEMENT

Introductory Statement

Both San Francisco, as the Regional Water System owner and operator, and its Wholesale Customers share a commitment to the Regional Water System providing a reliable supply of high quality water at a fair price, and achieving these goals in an environmentally sustainable manner.

Article 1. Parties, Effective Date, And Defined Terms

1.01. Definitions

The capitalized terms used in this Agreement shall have the meanings set forth in Attachment A.

1.02. Parties

The parties to this Agreement are the City and County of San Francisco and such of the following entities (all of which purchase water from San Francisco) as have executed this Agreement:

Alameda County Water District
California Water Service Company
City of Brisbane
City of Burlingame
City of Daly City
City of East Palo Alto
City of Hayward
City of Menlo Park
City of Millbrae
City of Milpitas
City of Mountain View
City of Palo Alto

City of Redwood City
City of San Bruno
City of San José
City of Santa Clara
City of Sunnyvale
Coastside County Water District
Estero Municipal Improvement District
Guadalupe Valley Municipal Improvement District
Mid-Peninsula Water District
North Coast County Water District
Purissima Hills Water District
Stanford University
Town of Hillsborough
Westborough Water District

The entities listed above which have executed this Agreement shall be collectively referred to as the "Wholesale Customers."

1.03. Effective Date

A. Except as provided in subsection C, this Agreement shall become effective only when it has been approved by San Francisco and by each of the entities listed in Section 1.02 and when San Francisco and each of those entities (except for the City of Hayward) have entered into an Individual Water Sales Contract as provided in Section 9.01.

B. If San Francisco and all of the entities listed in Section 1.02 approve this Agreement and (except for the City of Hayward) an Individual Water Sales Contract on or before July 1, 2009, the effective date shall be July 1, 2009. If San Francisco and all of the entities listed in Section 1.02 approve this Agreement and (except for the City of Hayward) an Individual Water Sales Contract after July 1, 2009 but on or before September 1, 2009, the effective date shall be the date on which the last entity listed in Section 1.02 approves this Agreement and, if required, an Individual Water Sales Contract.

C. If by September 1, 2009 this Agreement has been approved by fewer than all of the entities listed in Section 1.02 or fewer than all of such entities (other than the City of Hayward) have entered into an Individual Water Sales Contract, but it has been approved by entities representing at least 75% in number and 75% of the water purchased from SFPUC by

all listed agencies during FY 2007-08 (i.e., 173.39 MGD), then San Francisco shall have the option to waive the requirement in subsection A that all listed agencies have approved this Agreement and an Individual Water Sales Contract as a condition precedent to this Agreement and any Individual Water Sales Contract becoming effective. San Francisco shall have 60 days from September 1, 2009 (i.e., until October 31, 2009) within which to decide whether or not to waive the condition. If San Francisco decides to waive the condition, those listed agencies that have approved this Agreement and Individual Water Sales Contract before October 31, 2009 will be bound thereby and this Agreement and Individual Water Sales Contracts will become effective as to them, as of the date of San Francisco's waiver. For purposes of determining whether listed agencies that have approved this Agreement represent at least 75% of the water purchased during FY 2007-08, the quantity of water attributable to each listed entity shall be as set forth on Attachment B.

D. The provisions of Article 9 that apply to fewer than all Wholesale Customers (i.e., Sections 9.02 - 9.07) shall not become effective unless San Francisco and the entity to which the section applies have each approved (1) this Agreement, and (2) the underlying Individual Water Sales Contract, unless otherwise provided in Article 9. This provision does not affect the continued enforceability of provisions in those sections that derive from independently enforceable judgments, orders or agreements.

Article 2. Term; Amendments During Term

2.01. Term

The term ("Term") of this Agreement shall be twenty five (25) years. The Term shall begin on July 1, 2009, regardless of whether the Effective Date is before or after that date, and shall end on June 30, 2034. Except as provided in Article 9, the term of all Individual Water Sales Contracts shall also begin on July 1, 2009 and end on June 30, 2034.

2.02. Extension and Renewal of Term

A. In December 2031, the SFPUC may provide written notice to the Wholesale Customers that it is willing to extend the Term of this Agreement. Between January 1, 2032 and June 30, 2032, any Wholesale Customer may accept the SFPUC's offer to extend the Term by providing a written notice of extension to the SFPUC. If such notices of extension are received from Wholesale Customers representing at least two-thirds in number as of June 30, 2032 and seventy five percent (75%) of the quantity of water delivered by the SFPUC to all Wholesale Customers during fiscal year 2030-31, the Term shall be extended for another five (5) years ("First Extension Term"), through June 30, 2039. No party to this Agreement which does not wish to remain a party during the Extension Term shall be compelled to do so by the actions of other parties under this section.

B. In December 2036, the SFPUC may provide written notice to the Wholesale Customers that it is willing to extend the Term of this Agreement. Between January 1, 2037 and June 30, 2037, any Wholesale Customer may accept the SFPUC's offer to extend the Term by providing a written notice of extension to the SFPUC. If such notices of extension are received from Wholesale Customers representing at least two-thirds in number as of June 30, 2037 and seventy five percent (75%) of the quantity of water delivered by the SFPUC to all Wholesale Customers during fiscal year 2035-36, the Term shall be extended for another five (5) years ("Second Extension Term"), through June 30, 2044. No party to this Agreement which does not wish to remain a party during the Extension Term shall be compelled to do so by the actions of other parties under this section.

C. After the expiration of the Term, and, if applicable, the Extension Terms, this Agreement may be renewed by mutual consent of the parties, subject to any modifications thereof which may be determined at that time. If fewer than all of the parties desire to renew this Agreement beyond its Term, with or without modifications, the SFPUC and the Wholesale

Customers who wish to extend the Agreement shall be free to do so, provided that no party to this Agreement which does not wish to become a party to such a renewed Agreement shall be compelled to do so by the actions of other parties under this section.

2.03. Amendments

A. Amendments to Agreement; General

1. This Agreement may be amended with the written consent of all parties.
2. This Agreement may also be amended with the written consent of San Francisco and of Wholesale Customers representing at least two-thirds in number (i.e., 18 as of July 1, 2009) and seventy five percent (75%) of the quantity of water delivered by San Francisco to all Wholesale Customers during the fiscal year immediately preceding the amendment.
3. No amendment which adversely affects a Fundamental Right of a Wholesale Customer may be made without the written consent of that customer. Amendments to Article 5 which merely affect the allocation of costs between City Retail customers on the one hand and Wholesale Customers collectively on the other, and amendments to Articles 6 and 7 which merely alter budgetary, accounting and auditing procedures do not affect Fundamental Rights and may be made with the consent of parties meeting the requirements of Section 2.03.A.2.
4. When an amendment has been approved by San Francisco and the number of Wholesale Customers required in Section 2.03.A.2, San Francisco shall notify each of the Wholesale Customers in writing of the amendment's adoption. Notwithstanding any provision of law or this Agreement, any Wholesale Customer that claims that the amendment violates its Fundamental Rights under Section 2.03.A.3, shall have 30 days from the date San Francisco delivers the notice of its adoption in which to challenge the amendment's validity through a judicial action. If no such action is filed within 30 days, the amendment shall be finally and conclusively deemed to have been adopted in compliance with this section.

B. Amendments to Article 9

1. Notwithstanding the provisions of Sections 2.03.A.2 and 2.03.A.3, any provision of Article 9 which applies only to an individual Wholesale Customer may be amended with the written concurrence of San Francisco and the Wholesale Customer to which it applies;

provided that the amendment will not, directly or indirectly, adversely affect the Fundamental Rights of the other Wholesale Customers.

2. Before making any such amendment effective, San Francisco shall give notice, with a copy of the text of the proposed amendment, to all other Wholesale Customers. The Wholesale Customers shall have 30 days in which to object to the amendment on the ground that it is not permissible under this subsection. If no such objection is received by San Francisco, the proposed amendment shall become effective. If one or more Wholesale Customers object to the amendment, San Francisco, the individual Wholesale Customer with which San Francisco intends to effect the amendment, and the Wholesale Customer(s) which lodged the objection shall meet to discuss the matter.

3. If the dispute cannot be resolved and San Francisco and the Wholesale Customer involved elect to proceed with the amendment, either San Francisco or the Wholesale Customer shall give written notice of such election to each Wholesale Customer that has objected. Any Wholesale Customer that has objected to such amendment shall have 30 days from receipt of this notice within which to commence an action challenging the validity of such amendment, and such amendment shall be deemed effective as of the end of this 30-day period unless restrained by order of court.

C. **Amendments to Attachments.** The following attachments may be amended with the written concurrence of San Francisco and BAWSCA on behalf of the Wholesale Customers:

<u>Attachment</u>	<u>Name</u>
G	January 2006 Water Quality Notification and Communications Plan
J	Water Use Measurement and Tabulation
L-1	Identification of WSIP Projects as Regional/Retail
N-1	Balancing Account/Rate Setting Calculation Table
N-2	Wholesale Revenue Requirement Schedules
N-3	Schedule of Projected Water Sales, Wholesale Revenue Requirement and Wholesale Rates
P	Management Representation Letter

R Classification of Existing System Assets (subject to Section 5.11)

Amendments to these attachments shall be approved on behalf of San Francisco by the Commission and on behalf of BAWSCA by its Board of Directors, unless the Commission by resolution delegates such authority to the General Manager of the SFPUC or the Board of Directors by resolution delegates such authority to the General Manager/CEO of BAWSCA.

D. **Amendments to Individual Water Sales Contracts.** Individual Water Sales Contracts described in Section 9.01 may be amended with the written concurrence of San Francisco and the Wholesale Customer which is a party to that Individual Water Sales Contract; provided that the amendment is not inconsistent with this Agreement or in derogation of the Fundamental Rights of other Wholesale Customers under this Agreement.

Article 3. Water Supply

3.01. Supply Assurance

A. San Francisco agrees to deliver water to the Wholesale Customers up to the amount of the Supply Assurance. The Supply Assurance is for the benefit of the entities listed in Section 1.02, irrespective of whether or not they have executed this Agreement. Water delivered by San Francisco to Retail Customers shall not be included in the Supply Assurance. Until December 31, 2018, the foregoing commitment is subject to Article 4.

B. Both the Supply Assurance and the Individual Supply Guarantees identified in Section 3.02 are expressed in terms of daily deliveries on an annual average basis and do not themselves constitute a guarantee by San Francisco to meet peak daily or hourly demands of the Wholesale Customers, irrespective of what those peak demands may be. The parties acknowledge, however, that the Regional Water System has been designed and constructed to meet peak daily and hourly demands and that its capacity to do so has not yet been reached. San Francisco agrees to operate the Regional Water System to meet peak requirements of the Wholesale Customers to the extent possible without adversely affecting its ability to meet peak demands of Retail Customers. This Agreement shall not preclude San Francisco from undertaking to meet specific peak demand requirements of individual Wholesale Customers in their Individual Water Sales Contracts.

C. The Supply Assurance is perpetual and shall survive the expiration or earlier termination of this Agreement. Similarly, the Individual Supply Guarantees identified in Section 3.02 and/or the Individual Water Sales Contracts are perpetual and shall survive the expiration or earlier termination of this Agreement or the Individual Water Sales Contracts.

D. Notwithstanding the Supply Assurance established by this section, the Individual Supply Guarantees identified in Section 3.02 and the Individual Water Sales Contracts, the amount of water made available by San Francisco to the Wholesale Customers is subject to reduction, to the extent and for the period made necessary by reason of water shortage, Drought, Emergencies, or by malfunctioning or rehabilitation of facilities in the Regional Water System. Any such reduction will be implemented in accordance with Section 3.11. The amount of water made available to the Wholesale Customers may not be reduced, however, merely because the water recycling and groundwater projects which the WSIP envisions to be constructed within San Francisco, or the conservation programs intended to reduce water use

by Retail Customers that are included in the WSIP, do not generate the yield or savings (10 MGD combined) anticipated by San Francisco.

3.02. Allocation of Supply Assurance

A. Pursuant to Section 7.02 of the 1984 Agreement, a portion of the Supply Assurance has been allocated among 24 of the 26 Wholesale Customers. These Individual Supply Guarantees are also expressed in terms of annual average metered deliveries of millions of gallons per day and are listed in Attachment C.

B. Three Wholesale Customers do not have Individual Supply Guarantees. The cities of San Jose and Santa Clara do not have an Individual Supply Guarantees because San Francisco has provided water to them on a temporary and interruptible basis as described in Sections 4.05 and 9.06. The City of Hayward does not have an Individual Supply Guarantee because of the terms of the 1962 contract between it and San Francisco, as further described in Section 9.03.

C. If the total amount of water delivered by San Francisco to Hayward and to the Wholesale Customers that are listed on Attachment C exceeds 184 MGD over a period of three consecutive fiscal years (i.e., July 1 through June 30), then the Individual Supply Guarantees of those Wholesale Customers listed on Attachment C shall be reduced pro rata so that their combined entitlement and the sustained use by Hayward does not exceed 184 MGD. The procedure for calculating the pro rata reduction in Individual Supply Guarantees is set out in Attachment D.

1. The provisions of this subsection C are not in derogation of the reservation of claims to water in excess of the Supply Assurance which are contained in Section 8.07. Nor do they constitute an acknowledgement by Wholesale Customers other than Hayward that San Francisco is obligated or entitled to reduce their Individual Supply Guarantees in the circumstances described herein. The provisions of this subsection C shall, however, be operative unless and until a court determines that its provisions violate rights of the Wholesale Customers derived independently of this Agreement.

2. The foregoing paragraph is not intended to and shall not constitute a contractual commitment on the part of San Francisco to furnish more water than the Supply Assurance to the Wholesale Customers or a concession by San Francisco that the provisions of this subsection violate any rights of the Wholesale Customers.

D. Notwithstanding the reservation of claims contained in Sections 3.02.C and 8.07, it shall be the responsibility of each Wholesale Customer to limit its purchases of water from San Francisco so as to remain within its Individual Supply Guarantee. San Francisco shall not be liable to any Wholesale Customer or be obligated to supply more water to any Wholesale Customer individually or to the Wholesale Customers collectively than the amount to which it or they are otherwise entitled under this Agreement due to the use by any Wholesale Customer of more water than the amount to which it is entitled under this Agreement.

E. San Francisco shall install such new connections between the Regional Water System and the distribution system of any Wholesale Customer that are necessary to deliver the quantities of water to which the Wholesale Customer is entitled under this Agreement. San Francisco shall have the right to determine the location of such connections, in light of the need to maintain the structural integrity of the Regional Water System and, where applicable, the need to limit peaking directly off of Regional Water System pipelines by a Wholesale Customer's individual retail customers, the need to ensure that a Wholesale Customer's individual retail customers have access to alternative sources of water in the event of a reduction in San Francisco's ability to provide them with water, and other factors which may affect the desirability or undesirability of a particular location. San Francisco's decisions regarding the location of new connections and the location, size and type of any new meters shall not be reviewable by a court except for an abuse of discretion or failure to provide a Wholesale Customer with connections and meters adequate to deliver the quantity of water to which it is entitled under this Agreement.

3.03. Wholesale Customer Service Areas

A. Each of the Individual Water Sales Contracts described in Section 9.01 will contain, as an exhibit, a map of the Wholesale Customer's service area. A Wholesale Customer may not deliver water furnished to it by San Francisco outside the boundary of its service area without the prior written consent of San Francisco, except for deliveries to another Wholesale Customer on an emergency and temporary basis pursuant to Section 3.07.B.

B. If a Wholesale Customer wishes to expand its service area, it shall request San Francisco's consent to the expansion and provide information reasonably requested by San Francisco about the amount of water projected to be purchased from San Francisco to meet demand within the area proposed to be added to the service area.

C. San Francisco may refuse a Wholesale Customer's request to expand its service area on any reasonable basis. If San Francisco denies a request by a Wholesale Customer to expand its service area, or fails to act on the request for six months after it has been submitted, the Wholesale Customer may challenge San Francisco's denial or delay in court. Such a challenge may be based on the Wholesale Customers' claim, reserved in Section 8.07, that San Francisco is obligated under federal or state law to furnish water, included within its Individual Supply Guarantee, to it for delivery outside its then-existing service area and that it is entitled to enlarge its service area to supply water to such customers. San Francisco reserves the right to contest any such claim on any applicable ground. This subsection does not apply to San Jose and Santa Clara, whose maximum service areas are fixed pursuant to Section 9.06.

D. This section will not prevent San Francisco and any Wholesale Customer, other than San Jose and Santa Clara, from agreeing in an Individual Water Sales Contract or an amendment thereto that:

- the Wholesale Customer may expand its service area without subsequent San Francisco approval to a definitive size but no larger, or
- the Wholesale Customer will not expand its service area beyond its present limits without San Francisco approval

and waiving the provisions of this section with respect to any additional expansion.

E. If two or more Wholesale Customers agree to adjust the boundaries of their respective service areas so that one assumes an obligation to serve customers in an area that was previously within the service area of another Wholesale Customer, they may also correspondingly adjust their respective Individual Supply Guarantees. Such adjustments are not subject to the requirements of Section 3.04 and shall require only the consent of San Francisco and the Wholesale Customers involved, so long as the Supply Assurance and the Individual Supply Guarantees of other Wholesale Customers are not affected. Service area boundary adjustments that would result in the expansion of any California Water Service Company service areas are subject to the requirements of Section 9.02.D. Any adjustment of service area boundaries that would result in the supply of water in violation of this Agreement or the Act shall be void.

F. San Francisco acknowledges that it has heretofore consented in writing to deliveries of water by individual Wholesale Customers outside their service area boundaries and

agrees that nothing in this Agreement is intended to affect such prior authorizations, which remain in full force and effect according to their terms. Such authorizations shall be identified in the Individual Water Sales Contracts.

3.04. Permanent Transfers of Individual Supply Guarantees

A. A Wholesale Customer that has an Individual Supply Guarantee may transfer a portion of it to one or more other Wholesale Customers, as provided in this section.

B. Transfers of a portion of an Individual Supply Guarantee must be permanent. The minimum quantity that may be transferred is 1/10th of a MGD.

C. Transfers of portions of Individual Supply Guarantees are subject to approval by the SFPUC. SFPUC review is limited to determining (1) whether a proposed transfer complies with the Act, and (2) whether the affected facilities in the Regional Water System have sufficient capacity to accommodate delivery of the increased amount of water to the proposed transferee.

D. The participants in a proposed transfer shall provide notice to the SFPUC specifying the amount of the Individual Supply Guarantee proposed to be transferred, the proposed effective date of the transfer, which shall not be less than 60 days after the notice is submitted to the SFPUC, and the Individual Supply Guarantees of both participants resulting from the transfer. The SFPUC may require additional information reasonably necessary to evaluate the operational impacts of the transfer. The SFPUC will not unreasonably withhold or delay its approval; if the SFPUC does not act on the notice within 60 days, the transfer will be deemed to have been approved.

E. Within 30 days after the transfer has become effective, both the transferor and the transferee will provide notice to the SFPUC and BAWSCA. By September 30 of each year during the Term, the SFPUC and BAWSCA will prepare an updated Attachment C to reflect transfers occurring during the immediately preceding fiscal year.

F. Amounts transferred will remain subject to pro rata reduction under the circumstances described in Section 3.02.C and according to the formula set forth in Attachment D.

3.05. Restrictions on Resale

Each Wholesale Customer agrees that it will not sell any water purchased from San Francisco to a private party for resale by such private party to others in violation of the Act.

Each Wholesale Customer also agrees that it will not sell water purchased from San Francisco to another Wholesale Customer without prior written approval of the SFPUC, except on a temporary and emergency basis as permitted in Section 3.07.B.2. The SFPUC agrees that it will not unreasonably withhold its consent to a request by a Wholesale Customer to deliver water to another Wholesale Customer for resale.

3.06. Conservation; Use of Local Sources; Water Management Charge

A. In order to support the continuation and expansion of water conservation programs, water recycling, and development of alternative supplies within the Wholesale Customers' service areas, the SFPUC will, if requested by BAWSCA, include the Water Management Charge in water bills sent to Wholesale Customers. The SFPUC will deliver all Water Management Charge revenue to BAWSCA monthly and shall deliver an annual accounting of Water Management Charge revenue to BAWSCA within 90 days after the end of each fiscal year. The SFPUC's obligations to collect and deliver Water Management Charge revenue to BAWSCA under this subsection are conditioned on BAWSCA's delivery to the SFPUC of an annual report describing the projects and programs on which Water Management Charge funds received from the SFPUC during the previous fiscal year were expended and an estimate of the amount of water savings attributable to conservation programs and of the yield of alternative supplies developed. This report will be due within 180 days after the end of each fiscal year during which Water Management Charge funds were received.

B. The SFPUC will work together with BAWSCA to explore ways to support water conservation programs, recycling projects, and conjunctive use alternatives outside the Wholesale Service Area, in particular projects and programs that have the potential to increase both flows in the lower Tuolumne River (downstream of New Don Pedro Reservoir) and water deliveries to the Regional Water System.

C. Each Wholesale Customer shall take all actions within its legal authority related to water conservation that are necessary to insure that the SFPUC (a) remains eligible for (i) state and federal grants and (ii) access to the Drought Water Bank operated by the California Department of Water Resources, as well as other Drought-related water purchase or transfer

programs, and (b) complies with future legal requirements imposed on the Regional Water System by the federal government, the State, or any other third party as conditions for receiving funding or water supply.

D. San Francisco and each Wholesale Customer agree that they will diligently apply their best efforts to use both surface water and groundwater sources located within their respective service areas and available recycled water to the maximum feasible extent, taking into account the environmental impacts, the public health effects and the effects on supply reliability of such use, as well as the cost of developing such sources.

3.07. Restrictions on Purchases of Water from Others; Minimum Annual Purchases

A. Each Wholesale Customer (except for Alameda County Water District and the cities of Milpitas, Mountain View and Sunnyvale) agrees that it will not contract for, purchase or receive, with or without compensation, directly or indirectly, from any person, corporation, governmental agency or other entity, any water for delivery or use within its service area without the prior written consent of San Francisco.

B. The prohibition in subsection A does not apply to:

1. recycled water;
2. water necessary on an emergency and temporary basis, provided that the Wholesale Customer promptly gives San Francisco notice of the nature of the emergency, the amount of water that has been or is to be purchased, and the expected duration of the emergency; or
3. water in excess of a Wholesale Customer's Individual Supply Guarantee.

C. Alameda County Water District and the cities of Milpitas, Mountain View and Sunnyvale may purchase water from sources other than San Francisco, provided that San Francisco shall require that each purchase a minimum annual quantity of water from San Francisco. These minimum quantities are set out in Attachment E and shall also be included in the Individual Water Sales Contracts between San Francisco and each of these four Wholesale Customers. The minimum purchase requirement in these Individual Water Sales Contracts will be waived during a Drought or other period of water shortage if the water San Francisco makes available to these Wholesale Customers is less than its minimum purchase quantity.

3.08. Water Quality

A. San Francisco shall deliver treated water to Wholesale Customers (except Coastside County Water District, which receives untreated water from Crystal Springs and Pilarcitos Reservoirs) that complies with primary maximum contaminant level and treatment technique standards at the regulatory entry points designated in the San Francisco Regional Water System Domestic Water Supply Permit (currently Permit No. 02-04-04P3810001) issued by the California Department of Public Health (CDPH).

B. San Francisco will provide notice to the Wholesale Customers in accordance with the Water Quality Notification and Communications Plan (current version dated January 2006), attached hereto as Attachment G. San Francisco will regularly update its plan in consultation with the Wholesale Customers and the CDPH. The next update will be completed one year after the Effective Date and include expanded coverage of secondary maximum contaminant level exceedances and water quality communication triggers. The plan will note that the Wholesale Customers will receive the same notification no later than the San Francisco water system (currently Permit No. 02-04-01P3810011) except for distribution-related issues.

C. San Francisco and the Wholesale Customers will establish a Water Quality Committee. The Water Quality Committee will meet at least quarterly to collaboratively address water quality issues, such as Water Quality Notification and Communications Plan updates, regulatory issues, and water quality planning studies/ applied research. San Francisco and each Wholesale Customer will designate a representative to serve on the committee. There will be a Chair and Vice Chair position for the Water Quality Committee. The Chair and Vice Chair positions will be held by San Francisco and the Wholesale Customers and rotate between them on an annual basis.

3.09. Completion of WSIP

San Francisco will complete construction of the physical facilities in the WSIP by December 30, 2021. The SFPUC agrees to provide for full public review and comment by local and state interests of any proposed changes that delay previously adopted project completion dates or that delete projects. The SFPUC shall meet and consult with BAWSCA before proposing to the Commission any changes in the scope of WSIP projects which reduce their capacity or ability to achieve adopted Level of Service Goals and Objectives. The SFPUC

retains discretion to determine whether to approve the physical facilities in the WSIP until after it completes the CEQA process as set forth in Section 4.07.

3.10. Regional Water System Repair, Maintenance and Operation

A. San Francisco will keep the Regional Water System in good working order and repair consistent with prudent utility practice.

B. San Francisco will submit reports to its Retail and Wholesale Customers on the "State of the Regional Water System," including reports on completed and planned maintenance, repair or replacement projects or programs, by September of every even-numbered year, with reports to start in September 2010.

C. San Francisco will cooperate with any audit of the SFPUC's asset management practices that may be initiated and financed by BAWSCA or the Wholesale Customers. BAWSCA may contract with third parties to conduct the audits. San Francisco will consider the findings and recommendations of such audits and will provide a written response indicating agreement with the recommendations, or disagreement with particular recommendations and the reasons why, within 90 calendar days after receipt.

D. San Francisco will continue to operate its reservoirs in a manner that assigns higher priority to the delivery of water to the Bay Area and the environment than to the generation of electric power. The SFPUC, as the Regional Water System operator, is solely responsible for making day-to-day operational decisions.

3.11. Shortages

A. **Localized Water Reductions**. Notwithstanding San Francisco's obligations to deliver the Supply Assurance to the Wholesale Customers collectively and the Individual Supply Guarantees to Wholesale Customers individually, San Francisco may reduce the amount of water available or interrupt water deliveries to specific geographical areas within the Regional Water System service area to the extent that such reductions are necessary due to Emergencies, or in order to install, repair, rehabilitate, replace, investigate or inspect equipment in, or perform other maintenance work on, the Regional Water System. Such reductions or interruptions may be imposed by San Francisco without corresponding reductions or interruptions in the amount of water available to SFPUC water users outside the specific geographical area where reductions or interruptions are necessary, if the system's ability to supply water outside the specific geographical area has not been impaired. In the event of such

a reduction or interruption, San Francisco will restore the supply of water to the specific geographical area as soon as is possible. Except in cases of Emergencies (during which oral notice shall be sufficient), San Francisco will give the affected Wholesale Customer(s) reasonable written notice of such localized reductions or interruptions, the reasons therefor, and the probable duration thereof.

B. System-Wide Shortages and SFPUC Response to Regional Emergencies.

Following a major system emergency event, the SFPUC will work closely with its Wholesale Customers to monitor customer demand, including the demand source. In the event that any individual Wholesale Service Area or Retail Service Area customer's uncontrolled distribution system leaks could result in major water waste and endanger the supply provided by the Regional Water System as a whole, flow through some customer connections may need to be temporarily reduced or terminated. SFPUC will work closely with customers to assess the nature of the demand (e.g. fire-fighting versus leakage), so that public health and safety protection can be given top priority.

1. All emergencies that require use of non-potable source water will require use of chlorine, or other suitable disinfectant, if feasible.

2. San Francisco will use its best efforts to meet the seismic reliability and delivery reliability Level of Service Goals and Objectives adopted by the Commission in conjunction with the WSIP. San Francisco will distribute water on an equitable basis throughout the Regional Water System service area following a regional Emergency, subject to physical limitations caused by damage to the Regional Water System.

3. San Francisco's response to Emergencies will be guided by the then-current version of the ERRP. The SFPUC shall periodically review, and the Commission may amend, the ERRP to ensure that it remains an up-to-date and effective management tool.

4. The SFPUC will give the Wholesale Customers notice of any proposal to amend the ERRP in a manner that would affect them. The notice will be delivered at least thirty days in advance of the date on which the proposal is to be considered by the Commission and will be accompanied by the text of the proposed amendment.

C. Shortages Caused by Drought: Acquisition of Dry Year Supplies.

Notwithstanding San Francisco's obligations to deliver the Supply Assurance to the Wholesale Customers collectively and the Individual Supply Guarantees to Wholesale Customers

individually, San Francisco may reduce the amount of water available to the Wholesale Customers in response to Drought.

1. The Tier 1 Shortage Plan (Attachment H) will continue to be used to allocate water from the Regional Water System between Retail and Wholesale Customers during system-wide shortages of 20% or less.

2. San Francisco and the Wholesale Customers may negotiate in good faith revisions to the Tier 1 Shortage Plan to adjust for and accommodate anticipated changes due to demand hardening in the SFPUC's Wholesale and Retail Service Areas. Until agreement is reached, the current Tier 1 Shortage Plan will remain in effect.

3. The SFPUC will honor allocations of water among the Wholesale Customers ("Tier 2 Allocations") provided by BAWSCA or if unanimously agreed to by all Wholesale Customers. If BAWSCA or all Wholesale Customers do not provide the SFPUC with Tier 2 Allocations, then the SFPUC may make a final allocation decision after first meeting and discussing allocations with BAWSCA and the Wholesale Customers. For Regional Water System shortages in excess of 20%, San Francisco shall (a) follow the Tier 1 Shortage Plan allocations up to the 20% reduction, (b) meet and discuss how to implement incremental reductions above 20% with the Wholesale Customers, and (c) make a final determination of allocations above the 20% reduction. After the SFPUC has made the final allocation decision, the Wholesale Customers shall be free to challenge the allocation on any applicable legal or equitable basis.

4. San Francisco will use its best efforts to identify potential sources of dry year water supplies and establish the contractual and other means to access and deliver those supplies in sufficient quantity to meet a goal of not more than 20 percent system-wide shortage in any year of the design drought.

5. San Francisco will cooperate with BAWSCA to improve water supply reliability. As an example of such cooperation, San Francisco may invite a representative of BAWSCA to attend and participate in meetings with third parties for development of dry year water supplies. If San Francisco does not invite a BAWSCA representative to attend a specific scheduled meeting, it will promptly (within 30 days of any such meeting) provide BAWSCA with a written or oral report on the meeting, including any decisions reached at it, as well as information about planned subsequent meetings. Progress in securing dry year water supplies

will be reported to the SFPUC and the BAWSCA board of directors during the first quarter of each calendar year.

3.12. Wheeling of Water from Outside SFPUC System

Subject to the Wheeling Statute, the SFPUC will not deny use of Regional Water System unused capacity for wheeling when such capacity is available for wheeling purposes during periods when the SFPUC has declared a water shortage emergency under Water Code Section 350 if the following conditions are met:

A. The transferor pays reasonable charges incurred by the SFPUC as a result of the wheeling, including capital, operation, maintenance, administrative and replacement costs (as such are defined in the Wheeling Statute).

B. Wheeled water that is stored in the Regional Water System spills first.

C. Wheeled water will not unreasonably: (1) impact fish and wildlife resources in Regional Water System reservoirs; (2) diminish the quality of water delivered for consumptive uses; or (3) increase the risk of exotic species impairing Regional Water System operations. The transferor may at its own expense provide for treatment to mitigate these effects.

D. Priority will be given to wheeling by Wholesale Customers or BAWSCA over arrangements for third-party public entities.

3.13. Limits on New Customers

A. **New Wholesale Customers Prior to December 31, 2028.** Until December 31, 2028, San Francisco will not enter into contracts to supply water to any entity other than a Wholesale Customer (whether permanent or temporary, firm or interruptible) unless:

1. It completes any necessary environmental review under CEQA of the proposed new wholesale water service obligations as provided in Section 4.07;

2. It concurrently completes any necessary environmental review under CEQA as provided in Section 4.07 and commits to make both San Jose and Santa Clara permanent customers with Individual Supply Guarantees equal to at least 9 MGD; and

3. This Agreement is amended to incorporate any commitments to proposed new wholesale customers and to San Jose and Santa Clara, and to address the effects, if any,

of the new customer(s) on water supply reliability, water quality and cost to existing customers of the Regional Water System.

B. **New Wholesale Customers After December 31, 2028.** As of January 1, 2029, San Francisco will not enter into contracts to supply water to any entity other than a Wholesale Customer (whether permanent or temporary, firm or interruptible) unless:

1. It completes any necessary environmental review under CEQA of the proposed new wholesale water service obligations as provided in Section 4.07;
2. It concurrently completes any necessary environmental review under CEQA as provided in Section 4.07 and commits to make both San Jose and Santa Clara permanent customers with Individual Supply Guarantees equal to at least 9 MGD;
3. Doing so increases the reliability of the Regional Water System; and
4. This Agreement is concurrently amended (a) to reflect that increased reliability by means of an increased commitment by San Francisco to deliver water during Droughts and (b) to address the effects, if any, of the new customer(s) on water supply, water quality and cost to existing customers of the Regional Water System.

C. **New Retail Customers.** San Francisco may enter into new retail water service obligations outside of the City and County of San Francisco:

1. Only in Alameda, San Mateo, Santa Clara, San Joaquin and Tuolumne Counties;
2. That are within or immediately adjacent to areas in which it currently serves other Retail Customers; and
3. Until the aggregate additional demand represented by the new retail customers reaches 0.5 MGD.

The limitations on serving new Retail Customers described in this subsection do not apply to historical obligations to supply water that may be contained in prior agreements between the SFPUC or its predecessor the Spring Valley Water Company, and individual users or property owners located adjacent to Regional Water System transmission pipelines.

D. **Water Exchanges and Cost Sharing Agreements with Other Water Suppliers.** Subject to completion of necessary environmental review under CEQA, San

Francisco may at any time enter into water exchanges or cost sharing agreements with other water suppliers to enhance dry year or normal year water deliveries, provided that San Francisco cannot incur new water service obligations to such other water suppliers unless the requirements for taking on new wholesale customers in subsections A and B above are met.

3.14. Measurement of Water

A. The parties recognize that continuous and accurate measurement of water deliveries to and from the Regional Water System and maintenance of complete and accurate records of those measurements is necessary (1) for the costs of the Regional Water System to be allocated in accordance with this Agreement, (2) for implementation of other provisions of this Agreement, and (3) for effective operation and maintenance of a water system serving a large urbanized region.

B. It is the responsibility of the SFPUC to obtain and record these measurements. To do so, the SFPUC shall install, maintain and operate measuring and recording equipment at the following locations: (1) inputs to the Regional Water System from all water sources ("System Input Meters"), (2) internal flow meters to support operation of the Regional Water System ("In-Line Meters"), (3) deliveries to the City at the San Francisco-San Mateo County line ("County-Line Meters") and to three reservoirs in San Francisco ("In-City Terminal Reservoir Meters"), (4) deliveries to SFPUC Retail Customers located outside the boundaries of the City, and (5) deliveries to the Wholesale Customers, as described and illustrated in Attachment J.

C. The SFPUC shall inspect, test, service, and calibrate the measuring and recording equipment installed at the locations described in subsection B and will repair or replace them when necessary, in order to ensure that their accuracy is consistent with specifications provided in Attachment J.

D. The SFPUC shall continue to contract with a qualified independent metering consultant to perform periodic inspection, testing, servicing and calibration of the County-Line Meters, the In-City Terminal Reservoir Meters, and the System Input and In-Line Meters described in Attachment J, as well as the portion of the SFPUC's Supervisory Control and Data Acquisition (SCADA) system that utilizes the flow signals produced by that measuring and recording equipment. The method, schedule and frequency for calibration and maintenance of the County-Line Meters and the In-City Terminal Reservoir Meters are specified in Attachment J. The SFPUC shall provide copies of the metering consultant's reports to BAWSCA.

E. System Input Meters measure water deliveries into the Regional Water System from sources such as Hetch Hetchy and the SFPUC's water treatment plants. System Input Meters also measure deliveries from the Regional Water System to outside sources or from such sources to the Regional Water System through interties with the Santa Clara Valley Water District and the East Bay Municipal Utility District. In-Line Meters measure internal system flows and are located on the Bay Division Pipelines and other main transmission pipelines. These meters are collectively referred to as the "System Input and In-line Meters." Similar to the County-Line Meters, the System Input and In-Line Meters have secondary metering equipment, such as differential pressure transmitters and flow recorders. The System Input and In-Line Meters, and all associated secondary metering equipment, shall be calibrated and maintained according to the method, schedule, and frequency specified in the Procedures Manual described in subsection G, below.

F. The locations of the smaller and more numerous meters described in subsection B (4) and (5) are not illustrated in Attachment J; however, they are also critical in the determination of cost allocations, and accordingly require continued maintenance and calibration. It is the responsibility of the SFPUC to maintain the accuracy of these meters and their secondary metering equipment.

G. The SFPUC will prepare a Procedures Manual which will describe in detail the procedures for periodic inspection, testing, servicing and calibration of the measuring and recording equipment described in subsection B. Once the Procedures Manual is completed, the SFPUC and BAWSCA may agree that it should supersede some or all of the requirements in Attachment J regarding the County-Line and the In-City Terminal Reservoir Meters. Unless and until such an agreement is reached and documented, however, the requirements in Attachment J, Section D will continue in force as minimum standards for meter maintenance and calibration of the County-Line and In-City Terminal Reservoir Meters (subject to modification under the circumstances described in Attachment J, Section A.4).

H. If BAWSCA and the SFPUC are unable to agree on the water use calculations required by Attachment J for a particular year, the Wholesale Customers may file a demand for arbitration challenging the SFPUC's determination of the Wholesale Revenue Requirement for that year on the basis of its reliance on disputed water use calculations. Such a challenge must be brought in the manner and within the time specified in Section 8.01.

3.15. New Sources of Water Supply to Maintain Supply Assurance

A. **Urgent Reductions of Existing Surface Water Supplies.** Sudden and unanticipated events may require San Francisco to act promptly to protect the health, safety and economic well-being of its Retail and Wholesale Customers. Such sudden events include, but are not limited to drought, earthquakes, terrorist acts, catastrophic failures of facilities owned and operated by San Francisco, and other natural or man-made events. If such events diminish San Francisco's ability to maintain the Supply Assurance, San Francisco may increase the Wholesale Revenue Requirement to pay for planning, evaluation and implementation of replacement sources of supply when such needs arise and without the prior approval of the Wholesale Customers. San Francisco will keep the Wholesale Customers informed of actions being taken under this subsection, progress made, and contingency actions the Wholesale Customers may need to consider taking. To the extent appropriate and applicable, San Francisco will act in accordance with Section 3.11 and the ERRP. Nothing in this subsection limits San Francisco's obligations under Section 3.11 to pursue additional sources of supply to augment supplies available during drought.

B. **Non-Urgent Reductions of Existing Surface Water Supplies.** Climate change, regulatory actions and other events may impact San Francisco's ability to maintain the Supply Assurance from its existing surface water supplies, but on timescales long enough to permit San Francisco to collaborate with its Wholesale Customers on how best to address possible impacts to water supply. If such events diminish San Francisco's ability to maintain the Supply Assurance, San Francisco may increase the Wholesale Revenue Requirement to pay for planning, evaluation and implementation of replacement sources of supply when such needs arise and without the prior approval of the Wholesale Customers. San Francisco will keep the Wholesale Customers informed of actions being taken under this subsection, progress made, and contingency actions the Wholesale Customers may need to consider taking. San Francisco will solicit input and recommendations from BAWSCA and the Wholesale Customers, and take those recommendations into consideration. Prior to Commission approval of plans or taking other actions that would impact the Wholesale Revenue Requirement, San Francisco will hold a public hearing to receive written and oral comments. Nothing in this subsection modifies San Francisco's obligation to maintain the ability to provide the Supply Assurance under this Agreement.

3.16. New Sources of Water Supply to Increase Supply Assurance

A. **Surface Water Supplies From Existing Watersheds After 2018.** The Commission action in SFPUC Resolution Number 08-0200, adopted October 30, 2008 requires certain decisions by San Francisco regarding whether to supply more than 265 MGD from its watersheds following 2018. Such decisions are to be made by December 31, 2018, subject to the exercise of San Francisco's retained CEQA discretion in Section 4.07. San Francisco's future decisions may include an offer to increase the Supply Assurance at the request of some or all of its Wholesale Customers. Costs associated with providing additional water from its existing water supplies in San Mateo, Santa Clara, Alameda, Tuolumne, and Stanislaus Counties shall be allocated to Wholesale and Retail Customers as described in Article 5.

B. **New Water Supplies.** If San Francisco seeks to develop additional water supplies from new sources to increase the Supply Assurance available to Wholesale Customers, studies and resulting water supply projects will be conducted jointly with BAWSCA under separate agreement(s) specifying the purpose of the projects, the anticipated regional benefits and how costs of studies and implementation will be allocated and charged. Nothing in this Agreement shall serve as precedent for the allocation of such new supply capital costs between Retail and Wholesale Customers or associated operational expenses, which shall only occur following approval of both parties and amendment of this Agreement, if necessary, under Section 2.03.

3.17. Westside Basin Groundwater Storage and Recovery Project

In August 2014, the SFPUC approved a WSIP project called the Groundwater Storage and Recovery Project ("Project"), which authorized the SFPUC to enter into an agreement governing the operation of the Project with the Participating Pumpers entitled "Agreement for Groundwater Storage and Recovery from the Southern Portion of the Westside Groundwater Basin by and among the San Francisco Public Utilities Commission, the City of Daly City, the City of San Bruno, and California Water Service Company" ("Project Operating Agreement"), which became effective on December 16, 2014. The Project produces Regional benefits for all customers of the Regional Water System by making use of available groundwater storage capacity in the Southern portion of the Westside Basin through the supply of additional surface water ("In Lieu Water") to the Participating Pumpers from the Regional Water System, in exchange for a corresponding reduction in groundwater pumping at existing wells owned by the Participating Pumpers. The new groundwater supply that accrues to storage as a result of

delivery of In Lieu Water will be recovered from the SFPUC Storage Account during water shortages using new Regional Project Facilities or Shared Facilities operated by the Participating Pumpers and the SFPUC. Project mitigation capital costs and annual Project operations and maintenance expenses and water supplies shall be allocated as follows:

A. All In Lieu Water delivered to the Participating Pumpers shall be (1) temporary and interruptible in nature and (2) at the sole discretion of the SFPUC based on the total volume of water available to the Regional Water System.

B. All In Lieu Water delivered to the Participating Pumpers shall be considered a delivery of water to storage and shall not be construed to affect or increase the Individual Supply Guarantees of these Wholesale Customers or to otherwise entitle them to any claim of water in excess of their Individual Supply Guarantees.

C. In the event that it is necessary to reduce the Participating Pumpers' aggregate designated quantity of groundwater production allocation pursuant to Section 4.7 of the Project Operating Agreement, the SFPUC may supply an annual maximum of up to 500 acre feet of Participating Pumper Replacement Water from the Regional Water System at a price comparable to the Participating Pumpers' then-current groundwater cost, as may be adjusted annually as provided for in Section 4.7 of the Project Operating Agreement. Each of the Participating Pumpers may elect to take delivery of its share of Participating Pumper Replacement Water either as interruptible surface water deliveries from the Regional Water System or as a transfer of storage credits from the SFPUC Storage Account. All revenue received from such water sales or transfers shall be considered revenue related to the sale of water and allocated between Retail Customers and Wholesale Customers on the basis of Proportional Water Use. All volumes of Participating Pumper Replacement Water delivered shall not be construed to affect or increase the Individual Supply Guarantees of these Wholesale Customers or to otherwise entitle them to any claim of water in excess of their Individual Supply Guarantees.

D. Any operation and maintenance expenses incurred by the Participating Pumpers and the SFPUC that are related to the operation of Project Facilities and Shared Facilities for Project purposes shall be included as Regional pumping expenses under Section 5.05.B of this Agreement and included as part of the Wholesale Revenue Requirement. For rate setting purposes, estimated Project operation and maintenance expenses shall be used as set forth in

Section 6.01 of this Agreement. Operation and maintenance expenses associated with the Participating Pumpers' Existing Facilities that do not provide Regional benefits shall not be included in the Wholesale Revenue Requirement. On a case-by-case basis, the SFPUC may include operation and maintenance expenses associated operation of the Participating Pumpers' Existing Facilities in the Wholesale Revenue Requirement provided that such expenses (1) are solely attributable to Project operations for a Regional benefit and (2) are not caused by the Participating Pumper's failure to operate and maintain its existing wells in a reasonable and prudent manner consistent with water utility industry standards. The SFPUC shall provide the Wholesale Customers with copies of Project Operation and Maintenance Expenses documentation provided by the Participating Pumpers under Section 9.2 of the Project Operating Agreement.

E. The Project Mitigation, Monitoring and Reporting Program ("MMRP") adopted by the SFPUC included mitigation measure HY-6 to prevent well interference impacts to the Irrigation Well Owners. In mitigation measure HY-6, the SFPUC agreed to provide standby supplies of Irrigation Well Owner Replacement Water from the Regional Water System, to alter Project operations, and implement other actions (e.g., well replacement) to avoid well interference impacts that require the consent of the Irrigation Well Owners. The SFPUC's Project mitigation and other obligations to the Irrigation Well Owners are memorialized in substantially identical "Groundwater Well Monitoring and Mitigation Agreements" with one or more of the Irrigation Well Owners. For purposes of this Agreement, water supplies, and the capital costs and operations and maintenance expenses associated with providing Irrigation Well Owner Replacement Water and implementing other mitigation actions identified in the Project MMRP, shall be allocated as follows:

1. Irrigation Well Owner Replacement Water shall be limited to a cumulative maximum of 1.76 mgd and shall be delivered only in volumes necessary for mitigating well interference impacts as provided in the Project MMRP. The supply of Irrigation Well Owner Replacement Water by the SFPUC shall not be considered a new water supply commitment to Retail Customers or Wholesale Customers under Section 3.13 of this Agreement. The annual volume of Irrigation Well Owner Replacement Water supplied shall be metered and allocated as water from the Regional Water System during shortages between Retail Customers and Wholesale Customers in proportion to and consistent with the provisions of the Shortage Allocation Plan. All revenue received from Irrigation Well Owners for metered deliveries of Irrigation Well Owner Replacement Water shall be considered revenue related to the sale of

water and allocated between Retail Customers and Wholesale Customers on the basis of Proportional Water Use.

2. All Project capital costs incurred by the SFPUC in complying with the mitigation measures in the Project MMRP shall be considered Regional capital costs under Section 5.04 of this Agreement.

3. Operations and maintenance expenses incurred by the SFPUC in maintaining Project mitigation assets described in the Project MMRP shall be considered Regional transmission and distribution expenses under Section 5.05.D of this Agreement. Well pumping expenses that are required to be paid by the SFPUC in the agreements with the Irrigation Well Owners shall be considered Regional pumping expenses under Section 5.05.B of this Agreement.

4. Any wheeling charges imposed by California Water Service Company for delivery of Irrigation Well Owner Replacement Water shall be considered Regional transmission and distribution expenses under Section 5.05.D of this Agreement.

F. F. The SFPUC will audit (1) operation and maintenance expenses submitted by the Participating Pumpers, and (2) well pumping expenses submitted by the Irrigation Well Owners, for reimbursement to confirm that such costs were incurred, respectively, as a result of (1) operating Project Facilities and Shared Facilities for a Regional benefit and (2) complying with mitigation obligations in the Project MMRP. Costs associated with the use of Project Facilities or Shared Facilities for Direct Retail or Direct Wholesale purposes, or that do not otherwise provide Regional benefits, shall not be included in the Wholesale Revenue Requirement. The SFPUC is responsible for resolving disputes with the Participating Pumpers and Irrigation Well Owners concerning expense allocations. Project expense documentation, including documentation of negotiation and settlement of disputed costs, will be available for review during the Compliance Audit described in Section 7.04 of this Agreement. The Wholesale Customers may dispute the SFPUC's resolution of expense allocations through the arbitration provisions in Section 8.01 of this Agreement.

G. The SFPUC may direct the Participating Pumpers to recover water from the SFPUC Storage Account for any type of shortage referenced in Section 3.11 of this Agreement. Water recovered from the SFPUC Storage Account using Project Facilities and Shared Facilities may be used for (1) the benefit of all Regional Water System customers; (2) Retail Customers; or (3) one or more of the Participating Pumpers. The Wholesale Revenue Requirement shall

only include operation and maintenance expenses incurred due to the operation of Project Facilities and Shared Facilities for Regional benefits, including expenses incurred due to compliance with mitigation measures in the Project MMRP.

H. All water recovered during shortages caused by drought from the SFPUC Storage Account for Regional benefit, by the Participating Pumpers and by the SFPUC for delivery to Retail and Wholesale Customers, shall be used to free up a comparable volume of surface water from the Regional Water System for allocation in accordance with the Tier 1 Shortage Plan.

I. If the Project is terminated for any reason, including breach of the Project Operating Agreement by one or more of the Participating Pumpers or the SFPUC, a force majeure event as specifically defined by the Project Operating Agreement, or due to regulatory action or legal action, then:

1. Any water remaining in the SFPUC Storage Account shall be used for the benefit of all customers of the Regional Water System;

2. Outstanding eligible operation and maintenance expenses, including costs incurred during recovery of remaining stored water, will be allocated as provided in this Section 3.17 of this Agreement; and

3. If Project Facilities are no longer capable of being used for a Regional benefit, the Wholesale Customers will be credited with their share of proceeds from disposition of Project Facilities or reimbursed their share of such capital costs for any Project Facilities which are retained by the SFPUC for Direct Retail benefit and not used for the benefit of the Wholesale Customers, on the basis of (a) original cost less depreciation and outstanding related Indebtedness or (b) original cost less accumulated depreciation for revenue funded Project Facilities.

J. In the event that a Participating Pumper establishes the occurrence of a force majeure event as defined in the Project Operating Agreement, the SFPUC may enter into negotiations with the Participating Pumper to take over the operation of the portion of any Shared Facilities used for Project purposes for continued Regional use. If the SFPUC cannot reach agreement regarding the continued use of Shared Facilities for ongoing Regional benefit, the Participating Pumper shall reimburse the SFPUC and the Wholesale Customers for their respective shares of previously incurred Project capital costs used to upgrade the Shared

Facilities on the basis of (a) original cost less depreciation and outstanding related Indebtedness or (b) original cost less accumulated depreciation for revenue funded Shared Facilities. In the event that the SFPUC seeks to take over the operation of Shared Facilities for Direct Retail use, or one or more Wholesale Customers seeks to negotiate with a Participating Pumper to take over the operation of Shared Facilities for individual use or Direct Wholesale use, the party or parties benefiting from such transfer of Shared Facilities shall reimburse the other parties to this Agreement with their respective shares of previously incurred Project capital costs on the basis described in the previous sentence, or as the parties may otherwise agree.

3.18. Water Supply Agreement Amendment Required.

San Francisco may not change the existing condition of the Hetch Hetchy Reservoir by:

1. Abandoning or decommissioning O'Shaughnessy Dam; or
2. Draining Hetch Hetchy Reservoir, except for purposes of (i) repair, rehabilitation, maintenance, improvement, or reconstruction of O'Shaughnessy Dam or appurtenances, (ii) supplying water to the Bay Area during drought, or (iii) meeting water release requirements under the Raker Act, or federal or state law,

unless the parties enter into an amendment to the Water Supply Agreement, in full force and effect, adopted in accordance with Section 2.03.

The amendment shall state, or restate, as the case may be:

- A. The level of service goals for seismic reliability and delivery reliability adopted by the Commission in conjunction with such proposed changes to the Regional Water System, provided such goals are at least as protective of the Wholesale Customers as the Level of Service Goals and Objectives;
- B. The level of water quality to be delivered, which is currently provided for in Section 3.08, and
- C. The specific cost allocation procedures, written as an amendment to Article 5, which apply to (1) the abandonment or decommissioning of O'Shaughnessy Dam, or (2) the draining of Hetch Hetchy Reservoir, and (3) the development, operation and maintenance of New Regional Assets

that may be required to replace water supplied by Hetch Hetchy Reservoir and delivered to the Bay Area.

In the event that the parties are not able to agree upon and approve an amendment to the Water Supply Agreement as set forth above, San Francisco may not abandon or decommission O'Shaughnessy Dam or drain Hetch Hetchy Reservoir.

Article 4. Implementation of Interim Supply Limitation.

4.01. Interim Supply Limitation Imposed by SFPUC

In adopting the WSIP in Res. No. 08-0200, the Commission included full implementation of all proposed WSIP capital improvement projects to achieve Level of Service Goals and Objectives relating to public health, seismic safety, and delivery reliability, but decided to adopt a water supply element that includes the Interim Supply Limitation. This article describes how the parties will implement the Interim Supply Limitation imposed by the SFPUC between the Effective Date and December 31, 2018, and how the SFPUC will conduct water supply planning after December 31, 2018.

4.02. Retail and Wholesale Customer Allocations Under Interim Supply Limitation

The Interim Supply Limitation is allocated as follows between Retail and Wholesale Customers:

Retail Customers' allocation: 81 MGD

Wholesale Customers' allocation: 184 MGD

The Wholesale Customers' collective allocation of 184 MGD under the Interim Supply Limitation includes the demand of the cities of San Jose and Santa Clara, whose demand is not included in the Supply Assurance, as provided in Section 3.02.B. By December 31st, 2010, the Commission will establish each Wholesale Customer's Interim Supply Allocation at a public meeting.

4.03. Transfers of Interim Supply Allocations

A. Any Wholesale Customer, including Hayward, may transfer a portion of its Interim Supply Allocation to one or more other Wholesale Customers, as provided in this section. All Wholesale Customers are also eligible transferees, including California Water Service Company up to its Individual Supply Guarantee.

B. Transfers of a portion of an Interim Supply Allocation must be prospective. The duration of a transfer cannot be less than the balance of the fiscal year. The minimum quantity that may be transferred is 1/10th of a MGD.

C. Transfers of portions of Interim Supply Allocations are subject to approval by the SFPUC. SFPUC review is limited to determining (1) whether a proposed transfer complies with

the Act, and (2) whether the affected facilities in the Regional Water System have sufficient capacity to accommodate delivery of the increased amount of water to the proposed transferee.

D. The participants in a proposed transfer shall provide notice to the SFPUC specifying the amount of the Interim Supply Allocation proposed to be transferred and the proposed effective date of the transfer, which shall not be less than 60 days after the notice is submitted to the SFPUC. The SFPUC may require additional information reasonably necessary to evaluate the operational impacts of the transfer. The SFPUC will not unreasonably withhold or delay its approval; if the SFPUC does not act on the notice within 60 days, the transfer will be deemed to have been approved.

E. Within 30 days after the transfer has become effective, both the transferor and the transferee will provide written notice to the SFPUC and BAWSCA.

F. Transfers of Interim Supply Allocations shall continue in effect until the earlier of (1) delivery of written notice to the SFPUC by the transfer participants that the transfer has been rescinded or (2) December 31, 2018.

4.04. Environmental Enhancement Surcharge

A. **Establishment of Environmental Enhancement Surcharge.** Beginning with wholesale water rates for fiscal year 2011-2012, and continuing for the duration of the Interim Supply Limitation, the Commission will establish the Environmental Enhancement Surcharge concurrently with the budget-coordinated rate process set forth in Article 6 of this Agreement. The monetary amount of the Environmental Enhancement Surcharge per volume of water, such as dollars per acre-foot, will be equivalent for Retail Customer use in excess of 81 MGD and Wholesale Customer use in excess of 184 MGD. The Environmental Enhancement Surcharge will be simple to calculate so that Wholesale Customers can estimate potential surcharges for budgeting purposes and establish retail rates within their service areas.

B. **Application of Environmental Enhancement Surcharge.** Beginning in fiscal year 2011-12, the Environmental Enhancement Surcharge will be levied only if and when combined Retail Customer and Wholesale Customer purchases exceed the Interim Supply Limitation of 265 MGD and if the fund described in subsection D below has been established by the San Francisco Board of Supervisors. In that event, the Environmental Enhancement Surcharge will apply to Retail Customers for use in excess of 81 MGD and to individual

Wholesale Customers for use in excess of their Interim Supply Allocations established by the Commission pursuant to Section 4.02.

1. Environmental Enhancement Surcharges related to the Retail Customers' use in excess of their 81 MGD Retail Customer Allocation will be paid by the SFPUC, and no portion of such surcharges may be allocated to Wholesale Customers. The method of recovering the Environmental Enhancement Surcharges imposed upon Retail Customers shall be within the sole discretion of the SFPUC.

2. Environmental Enhancement Surcharges related to the individual Wholesale Customers' use in excess of their respective Interim Supply Allocations will be paid to the SFPUC by individual Wholesale Customers.

C. **Collection of Environmental Enhancement Surcharge.** Notwithstanding the budget-coordinated rate setting process contemplated in Article 6 of this Agreement, the Environmental Enhancement Surcharge for any given year will be determined retrospectively based on actual annual usage during the fiscal year in excess of the Interim Supply Allocation and paid in equal monthly installments over the remainder of the immediately following fiscal year.

D. **Establishment of Fund for Environmental Enhancement Surcharge Proceeds.** Environmental Enhancement Surcharges paid by the SFPUC and by Wholesale Customers will be placed into a restricted reserve fund. The SFPUC will request the San Francisco Board of Supervisors to establish this fund by ordinance and, if adopted, the fund will be subject to the following restrictions:

1. Interest earnings will stay in the reserve fund.
2. The reserve fund shall (a) be subject to automatic appropriation; (b) require unexpended and unencumbered fund balances to be carried forward from year to year; and (c) not be transferred to the San Francisco General Fund.
3. The reserve fund may be used only for specific environmental restoration and enhancement measures for the Sierra and local watersheds, such as those included in the Watershed Environmental Improvement Program.
4. Environmental Enhancement Surcharge proceeds shall be expended in an expeditious manner. Any Environmental Enhancement Surcharge

proceeds that remain in the reserve fund as of December 31, 2018 shall be used to complete projects previously approved under subsection E. Upon completion of the identified projects, the balance of any unexpended sums in the reserve fund shall be distributed to BAWSCA and the SFPUC in proportion to the total amount of surcharges assessed to the Wholesale and Retail Customers, respectively.

E. **Use of Environmental Enhancement Surcharge Proceeds.** Specific uses of Environmental Enhancement Surcharges will be decided by the SFPUC and BAWSCA General Managers following input from environmental stakeholders and other interested members of the public. If parties are unable to agree, then they will jointly select a third person to participate in making the decision.

4.05. San Jose/ Santa Clara Interim Supply Allocation and Process for Reduction/ Termination.

San Francisco will supply a combined annual average of 9 MGD to the cities of San Jose and Santa Clara through 2028. Water supplied by San Francisco may only be used in the defined service areas of San Jose and Santa Clara shown on Attachment Q-1 and Q-2, respectively. San Francisco may reduce the quantity of water specified in this section when it establishes the Interim Supply Allocations for Wholesale Customers in Section 4.02. The establishment of Interim Supply Allocations for San Jose and Santa Clara shall not be considered a reduction of supply within the meaning of this section, provided that the Interim Supply Allocations assigned to San Jose and Santa Clara do not effect a reduction greater than the aggregate average reduction in Individual Supply Guarantees for Wholesale Customers that have such guarantees. The application of Interim Supply Allocations to San Jose and Santa Clara, and water supply planning after December 31, 2018, are subject to the following provisions:

A. In December 2010 and in each December thereafter through 2027, the SFPUC shall prepare and the Commission shall consider, at a regularly scheduled public meeting, a Water Supply Development Report detailing progress made toward (1) meeting the Interim Supply Limitation by June 30, 2018 and (2) developing additional water supplies that will allow the Commission to designate San Jose and Santa Clara as permanent Wholesale Customers of the Regional Water System with a combined Individual Supply Guarantee of up to 9 MGD by the end of the Term on June 30, 2034.

B. The annual Water Supply Development Report shall be based on water purchase projections and work plans prepared by the SFPUC for the Retail Customers and by BAWSCA for the Wholesale Customers, respectively, and submitted to the Commission in June of each year beginning in 2010.

C. If the Commission finds that the projections in the Water Supply Development Report show that (1) the Interim Supply Limitation will not be met by June 30, 2018, as a result of Wholesale Customers' projected use exceeding 184 MGD, or (2) the purchases of the Wholesale Customers, including San Jose and Santa Clara, are projected to exceed 184 MGD before June 30, 2028, the Commission may issue a conditional ten year notice of interruption or reduction in supply of water to San Jose and Santa Clara.

D. Upon issuance of the conditional notice of interruption or reduction, the SFPUC will prepare a new analysis of water supply that will be utilized by the San Francisco Planning Department in its preparation of any necessary documentation under CEQA pursuant to Section 4.07 on the impacts of interrupting or reducing service to San Jose and Santa Clara.

E. Such notice of interruption or reduction will be rescinded if the Commission finds, based upon a subsequent annual Water Supply Development Report, that (1) sufficient progress has been made toward meeting the Interim Supply Limitation, or (2) projections show that the projected purchases of the Wholesale Customers, including San Jose and Santa Clara, will not exceed 184 MGD by June 30, 2028.

F. In no case shall any interruption or reduction of service to San Jose or Santa Clara pursuant to this section become effective less than two years from the completion of the CEQA process (not including resolution of any appeals or litigation) or ten years from the notice, whichever is longer. If the ten year notice is issued after 2018, such interruption or reduction would be effective after 2028.

G. If deliveries to San Jose and Santa Clara are interrupted, existing turnout facilities to San Jose and Santa Clara will remain in place for possible use during emergencies.

H. San Francisco and the cities of San Jose and Santa Clara will cooperate with BAWSCA and the Santa Clara Valley Water District in the identification and implementation of additional water sources and conservation measures for the cities' service areas that are

relevant to the water supply and the possible offer of permanent status for the two cities by the SFPUC.

4.06. San Francisco Decisions in 2028 Regarding Future Water Supply

A. By December 31, 2028, San Francisco will have completed any necessary CEQA review pursuant to Section 4.07 that is relevant to making San Jose and Santa Clara permanent customers of the Regional Water System and will decide whether or not to make San Jose and Santa Clara permanent customers of the Regional Water System with a combined Individual Supply Guarantee of 9 MGD allocated equally between the two cities, as well as how much water in excess of 9 MGD it will supply to San Jose and Santa Clara. San Francisco will make San Jose and Santa Clara permanent customers only if, and to the extent that, San Francisco determines that Regional Water System long term water supplies are available. In the event that San Francisco decides to afford permanent status to San Jose and Santa Clara, this Agreement will be amended pursuant to Section 2.03.

B. By December 31, 2028, San Francisco will have completed any necessary CEQA review pursuant to Section 4.07 and will decide how much water, if any, in excess of the Supply Assurance it will supply to Wholesale Customers from the Regional Water System to meet their projected future water demands until the year 2040, and whether to offer a corresponding increase in the Supply Assurance as a result of these determinations.

4.07. Retained Discretion of SFPUC and Wholesale Customers

A. This Agreement contemplates discretionary actions that the SFPUC and the Wholesale Customers may choose to take in the future that could result in physical changes to the environment ("Discretionary Actions"). The Discretionary Actions include decisions to:

1. Develop additional or alternate water resources by the SFPUC or one or more Wholesale Customers;
2. Implement the physical facilities comprising the WSIP by December 30, 2021;
3. Approve wheeling proposals by Wholesale Customers;
4. Approve new wholesale customers and water exchange or cost sharing agreements with other water suppliers;
5. Provide additional water to San Jose and/or Santa Clara;
6. Offer permanent status to San Jose and/or Santa Clara;

7. Reduce or terminate supply to San Jose and/or Santa Clara;
8. Provide additional water to Wholesale Customers in excess of the Supply Assurance to meet their projected future water demands;
9. Offer a corresponding volumetric increase in the Supply Assurance; and
10. Implement the Hetch Hetchy Water and Power projects listed in Attachment R-2.

The Discretionary Actions may require the SFPUC or Wholesale Customers to prepare environmental documents in accordance with CEQA prior to the SFPUC or the Wholesale Customers determining whether to proceed with any of the Discretionary Actions. Accordingly, and notwithstanding any provision of this Agreement to the contrary, nothing in this Agreement commits the SFPUC or the Wholesale Customers to approve or carry out any Discretionary Actions that are subject to CEQA. Furthermore, the SFPUC's or Wholesale Customers' decisions to approve any of these Discretionary Actions are subject to the requirement that San Francisco and each Wholesale Customer, as either a "Lead Agency" (as defined in Section 21067 of CEQA and Section 15367 of the CEQA Guidelines) or a "Responsible Agency" (as defined in Section 21069 of CEQA and Section 15381 of the CEQA Guidelines) shall have completed any CEQA-required environmental review prior to approving a proposed Discretionary Action.

B. In considering any proposed Discretionary Actions, the SFPUC and Wholesale Customers retain absolute discretion to: (1) make such modifications to any of the proposed Discretionary Actions as may be necessary to mitigate significant environmental impacts; (2) select feasible alternatives to the proposed Discretionary Actions that avoid significant adverse impacts; (3) require the implementation of specific measures to mitigate the significant adverse environmental impacts as part of the decision to approve the Discretionary Actions; (4) balance the benefits of the proposed Discretionary Actions against any significant environmental impacts before taking final actions to approve the proposed Discretionary Actions if such significant impacts cannot otherwise be avoided; or (5) determine not to proceed with the proposed Discretionary Actions.

Article 5. Wholesale Revenue Requirement

5.01. Scope of Agreement

This Article shall be applicable only to the water rates charged by San Francisco to the Wholesale Customers. Nothing contained in this Agreement shall limit, constrain, or in any way affect the rates which San Francisco may charge for water sold to Retail Customers or the methodology by which such rates are determined.

5.02. General Principles

This Article sets forth the method by which the Wholesale Customers' collective share of expenses incurred by the SFPUC in delivering water to them will be determined. This collective share is defined as the "Wholesale Revenue Requirement."

A. The SFPUC currently operates several enterprises, including the Water Enterprise, the Wastewater Enterprise, and the Hetch Hetchy Enterprise.

B. The Wastewater Enterprise is responsible for treating sewage within San Francisco and provides no benefit to the Wholesale Customers.

C. The Hetch Hetchy Enterprise is responsible for storing and transmitting water to the Water Enterprise, generating hydroelectric power and transmitting it to San Francisco, generating electric power within San Francisco, and distributing electricity and steam heat within San Francisco. Its water supply operations provide benefits to the Wholesale Customers.

D. The Water Enterprise delivers water to both Retail Customers, which are located both within and outside San Francisco, and to the Wholesale Customers, all of which are located outside San Francisco.

E. This Article implements two general principles as follows: (1) the Wholesale Customers should not pay for expenses of SFPUC operations from which they receive no benefit and (2) the Wholesale Customers should pay their share of expenses incurred by the SFPUC in delivering water to them on the basis of Proportional Annual Use unless otherwise explicitly provided in this Agreement.

F. To implement these general principles, the Wholesale Revenue Requirement will consist of, and be limited to, the Wholesale Customers' shares of the following categories of expense:

1. Capital cost recovery of Water Enterprise Existing Assets, and Hetch Hetchy Enterprise Existing Assets classified as Water-Only and the Water-Related portion of Joint assets (Section 5.03)
2. Contribution to the capital cost of Water Enterprise New Regional Assets (Section 5.04)
3. Water Enterprise operation and maintenance expenses, including power purchased from the Hetch Hetchy Enterprise that is used in the operation of the Water Enterprise (Section 5.05)
4. Water Enterprise administrative and general expenses (Section 5.06)
5. Water Enterprise property taxes (Section 5.07)
6. The Water Enterprise's share of the Hetch Hetchy Enterprise's operation and maintenance, administrative and general, and property tax expenses (Section 5.08)
7. The Water Enterprise's share of the Hetch Hetchy Enterprise's capital cost of New Assets classified as Water-Only and the Water-Related portion of Joint assets (Section 5.09)

In each of these cost categories, Direct Retail Expenses will be allocated entirely to Retail Customers. Direct Wholesale Expenses will be allocated entirely to the Wholesale Customers. Regional Expenses will be allocated between Retail Customers and Wholesale Customers as provided in this Article.

G. For purposes of establishing the rates to be charged Wholesale Customers, expenses will be based on the budget for, and estimates of water purchases in, the following fiscal year, as provided in Article 6. For purposes of accounting, the Wholesale Revenue Requirement will be determined on the basis of actual expenses incurred and actual water use, as provided in Article 7.

H. In addition, rates charged to Wholesale Customers may include the Wholesale Customers' contribution to a Wholesale Revenue Coverage Reserve, as provided in Section 6.06, which is not included in the Wholesale Revenue Requirement itself.

5.03. Capital Cost Recovery - Existing Regional Assets

A. SFPUC has previously advanced funds to acquire or construct Existing Assets used and useful in the delivery of water to both Wholesale Customers and Retail Customers. The parties estimate that the Wholesale Customers' share of the net book value of these assets, as of the expiration of the 1984 Agreement on June 30, 2009, will be approximately \$366,734,424, as shown on Attachment K-1.

B. In addition, SFPUC has also previously advanced funds received from Retail Customer revenues to acquire or construct assets included in Construction-Work-In-Progress (CWIP) as of June 30, 2009. The parties estimate that the Wholesale Customers' share of the book value of these revenue funded capital expenditures, as of the expiration of the 1984 Agreement on June 30, 2009, will be approximately \$15,594,990, as shown on Attachment K-2. The Wholesale Customers shall pay their share of the cost of Existing Assets and revenue-funded CWIP by amortizing the amounts shown on Attachment K-1 and Attachment K-2 over 25 years at an interest rate of 5.13 percent. The amounts to be included in the Wholesale Revenue Requirement pursuant to this section shall be the sum of the annual principal and interest amounts shown on Attachments K-3 (for Water Enterprise Regional Assets and the one Direct Wholesale Asset) and K-4 (for Hetch Hetchy Enterprise Water-Only Assets and the Water-Related portion [45 percent] of Joint assets) calculated on the basis of monthly amortization of principal as set forth on Attachments K-3 and K-4.

C. In addition, the Commission has previously appropriated funds, advanced through rates charged to Retail Customers, for construction of capital projects. Some of these projects are active, and have unexpended balances of appropriated funds that are not included in CWIP as of June 30, 2009. These projects, and the associated balances, are shown on Attachment K-5. Expenditures of funds from these balances during FY 2009-10, FY 2010-11 and FY 2011-12 will be reviewed in FY 2012-13. The SFPUC will prepare a report showing the amount expended in each year on each project and the total expended during all years on all projects that are categorized as Regional or, in the case of Hetch Hetchy Enterprise, are categorized as either Water-Only or Joint. The wholesale share of that total will be determined using the allocation principles in this Agreement based on Proportional Water Use during those three years. The result, plus accrued interest at the rate specified in Section 6.05.B, will be calculated by the SFPUC and its calculation reviewed by the Compliance Auditor as part of the Compliance Audit for FY 2012-13. The audited total will be paid based on a schedule of level

annual principal and interest amounts over ten years at an interest rate of 4.00%, calculated on a monthly amortization basis. All or any portion of the balance may be prepaid. The first year's payment will be included in the Wholesale Revenue Requirement for FY 2014-15.

D. The parties agree that the Wholesale Customers' share of the net book values of Existing Regional Assets as of June 30, 2008 as shown on Attachment K-1 are accurate. The compliance audit conducted on the calculation of the FY 2008-09 Suburban Revenue Requirement required by the 1984 Agreement will determine the actual amounts of depreciation on, and capital additions to, plant in service during that fiscal year. Those amounts will be compared to the corresponding estimates shown on Attachments K-1 and K-2. The differences will be added to or subtracted from the estimated asset values shown on Attachments K-1 and K-2 and the amortization schedules in Attachments K-3 and K-4 will be recalculated. The wholesale allocation factors shall be fixed at 70.1% for the Water Enterprise Existing Assets and 64.2% for Hetch Hetchy Enterprise Existing Assets for both the preliminary and final payment schedules. The SFPUC will prepare and provide to the Wholesale Customers revised Attachments K-1 through K-4 based on the Wholesale Customers' share of the net book value of the assets placed in service as of June 30, 2009 used to provide water service to the Wholesale Customers and the net book value of revenue-funded CWIP expended as of June 30, 2009. The revised Attachments K-1 through K-4 shall be approved by the General Manager of the SFPUC and the General Manager/CEO of BAWSCA and will be substituted for the original Attachments K-1 through K-4.

E. The original Attachments K-1 through K-4, based on estimates, shall be used for estimating the Wholesale Revenue Requirement for the fiscal year beginning July 1, 2009. The revised Attachments, based on audited actuals, shall be used to determine the actual Wholesale Revenue Requirement for FY 2009-10 and to determine the Wholesale Revenue Requirement(s) in all subsequent years, except as may be provided elsewhere in this Agreement.

F. The Wholesale Customers, acting through BAWSCA, may prepay the remaining unpaid Existing Assets principal balance, in whole or in part, at any time without penalty or early payment premium. Any prepayments will be applied in the month immediately following the month in which the prepayment is made and the revised monthly amount(s) will be used to calculate the Wholesale Revenue Requirement. Any partial prepayments must be in an amount at least equal to \$10 million. In the event of a partial prepayment, an updated schedule for the

remaining payments shall be prepared reflecting the unpaid balance after prepayment, amortized through the end of FY 2034, calculated as provided in this section. The updated schedule, approved by the General Manager of the SFPUC and the General Manager/CEO of BAWSCA, will be substituted for Attachment K-3 and/or Attachment K-4.

5.04. Capital Cost Contribution - New Regional Assets

A. **Debt-Funded Capital Additions.** The Wholesale Customers shall pay the wholesale share of Net Annual Debt Service for New Regional Assets. The Regional projects in the WSIP are identified in Attachment L-1.

1. The amount of Net Annual Debt Service for New Regional Assets will be determined for each series of Indebtedness issued. Until the proceeds of a particular series are Substantially Expended, the amount attributable to specific projects will be based on the expected use of proceeds shown in the "Certificate Regarding Use of Proceeds" executed by the SFPUC General Manager on behalf of the Commission in connection with the sale of the Indebtedness, provided such certificate identifies the use of proceeds at a level of detail equivalent to that shown on Attachment L-2, which is a copy of the certificate prepared for the 2006 Revenue Bonds, Series A. If a certificate does not identify the use of proceeds at that level of detail, the SFPUC General Manager shall prepare and execute a separate certificate which does identify the use of proceeds at the level of detail shown on Attachment L-2 and deliver it to BAWSCA within 15 days from the closing of the sale of the Indebtedness.

2. After the proceeds of a series are Substantially Expended, the SFPUC General Manager will prepare and execute a certificate showing the actual expenditure of proceeds at a level of detail equivalent to the initial General Manager certificate. The resulting allocation of Net Debt Service to New Regional Assets for a series of bonds will be used in the fiscal year in which the proceeds have been Substantially Expended and thereafter. Differences between the amount of Net Debt Service paid by Wholesale Customers prior to that year and the amount of Net Debt Service that they should have paid during that time based on the actual expenditure of proceeds will be taken into account in calculation of the balancing account for the fiscal year in which the proceeds were Substantially Expended. The application of the remaining proceeds shall be proportionate to the allocation of the Net Debt Service to New Regional Assets.

3. The Wholesale Customers' share of Net Annual Debt Service for the New Regional Assets that are categorized as Direct Wholesale will be 100 percent. (None of the

projects in the WSIP are categorized as Direct Wholesale.) The Wholesale Customers' share of Net Annual Debt Service for all other New Regional Assets will be determined each year and will be equal to the Wholesale Customers' Proportional Annual Use.

4. If Indebtedness is issued by the SFPUC to refund the 2006 Revenue Bonds, Series A or to refund any other long-term Indebtedness issued after July 1, 2009, the Net Annual Debt Service attributable to proceeds used for refunding will be allocated on the same basis as the Indebtedness being refunded.

5. The SFPUC will prepare an annual report showing for each issue of Indebtedness and through the most recently completed fiscal year: (1) net financing proceeds available to pay project costs, (2) actual earnings on proceeds, (3) actual expenditures by project. The report shall be substantially in the form of Attachment L-3 and shall be delivered to BAWSCA on or before November 30 of each year, commencing November 2009.

6. In addition to Net Debt Service, Wholesale Customers will pay a proportionate share of annual administrative costs associated with Indebtedness, such as bond trustee fees, credit rating agency fees, letter of credit issuer fees, San Francisco Revenue Bond Oversight Committee fees, etc., but only to the extent such fees are neither paid from proceeds of Indebtedness nor included in SFPUC operation and maintenance or administrative and general expenses.

B. **Revenue-Funded Capital Additions.** The Wholesale Customers shall pay the wholesale share of the appropriation contained in the SFPUC annual budget for each year to be used to acquire or construct New Regional Assets. If such appropriations are reimbursed from proceeds of Indebtedness, the Wholesale Customers will be credited for prior payments made under this Section 5.04.B.

The Wholesale Customers' share of the annual appropriation for revenue-funded New Regional Assets that are categorized as Direct Wholesale will be 100 percent. (None of the Repair and Replacement projects in the SFPUC's most recent capital improvement program updated on February 10, 2009, is categorized as Direct Wholesale.) The Wholesale Customers' share of the annual appropriation for all other revenue-funded New Regional Assets will be determined each year and will be equal to the Wholesale Customers' Proportional Annual Use in each fiscal year. The amount appropriated in each fiscal year for the wholesale share of New Regional Assets shall be contributed to the Wholesale Capital Fund described in Section 6.08 and reported on and administered as shown in that section and Attachments M-1 through M-3.

5.05. Water Enterprise Operation and Maintenance Expenses

There are five categories of Water Enterprise Operation and Maintenance Expenses, described below:

A. Source of Supply

1. Description: This category consists of the costs of labor, supervision and engineering; materials and supplies; and other expenses incurred in the operation and maintenance of collecting and impounding reservoirs, dams, wells and other water supply facilities located outside San Francisco; watershed protection; water supply planning; and the purchase of water.

2. Allocation: Direct Retail expenses, including water supply planning for Retail operations (such as City Retail water conservation programs), will be assigned to the Retail Customers. Regional expenses will be allocated between Retail Customers and Wholesale Customers on the basis of Proportional Annual Use. Direct Wholesale expenses will be assigned to the Wholesale Customers. (As of the Effective Date there are no Direct Wholesale expenses in the Source of Supply category.)

B. Pumping

1. Description: This category consists of the costs of labor, supervision and engineering; materials and supplies; and other expenses incurred in the operation and maintenance of water pumping plants, ancillary structures and equipment and surrounding grounds; and fuel and power purchased for pumping water.

2. Allocation: Direct Retail expenses will be assigned to the Retail Customers. Regional expenses will be allocated between Retail Customers and Wholesale Customers on the basis of Proportional Annual Use. Direct Wholesale expenses will be assigned to the Wholesale Customers. (As of the Effective Date there are no Direct Wholesale expenses in the Pumping category.)

C. Treatment

1. Description: This category consists of the costs of labor, supervision and engineering; materials and supplies and other expenses incurred in the operation and maintenance of water treatment plants and drinking water quality sampling and testing. The cost of water quality testing will not include expenses incurred on behalf of the Wastewater

Enterprise. Any remaining costs, after adjusting for the Wastewater Enterprise, will be reduced by the amount of revenue received for laboratory analyses of any type performed for agencies, businesses and/or individuals other than the Water and Hetch Hetchy Enterprises.

2. Allocation: Direct Retail expenses will be assigned to the Retail Customers. Regional expenses will be allocated between Retail Customers and Wholesale Customers on the basis of Proportional Annual Use. Direct Wholesale expenses will be assigned to the Wholesale Customers. (As of the Effective Date there are no Direct Wholesale expenses in the Treatment category.)

D. Transmission and Distribution

1. Description: This category consists of the cost of labor, supervision and engineering; materials and supplies; and other expenses incurred in the operation and maintenance of transmission and distribution pipelines, appurtenances, meters (other than those expenses payable by individual Wholesale Customers pursuant to Section 5.10.C.3), distribution reservoirs storing treated water, craft shops and auto shops servicing vehicles used for operation and maintenance of the Regional Water System rather than for Direct Retail facilities, and miscellaneous facilities related to the transmission and distribution of water.

2. Allocation: Direct Retail Transmission and Distribution expenses will be assigned to the Retail Customers. Regional Transmission and Distribution expenses will be allocated between Retail and Wholesale Customers on the basis of Proportional Annual Use. Expenses incurred for the operation and maintenance of three terminal reservoirs, i.e., Sunset Reservoir (North and South Basins), University Mound Reservoir (North and South Basins), and Merced Manor Reservoir, as well as transmission pipelines delivering water to them, are classified as Regional expenses notwithstanding the location of the reservoirs within San Francisco. Direct Wholesale expenses will be assigned to the Wholesale Customers. (As of the Effective Date the only Direct Wholesale expenses in the Transmission and Distribution category are associated with the Palo Alto pipeline.)

E. Customer Services

1. Description: This category consists of labor; materials and supplies; and other expenses incurred for meter reading, customer record keeping, and billing and collection for the Water Enterprise.

2. Allocation: Customer Services expenses will be allocated among the Water Enterprise, the Wastewater Enterprise, and Hetch Hetchy Enterprise in proportion to the time spent by employees in Customer Services for each operating department/enterprise. The Water Enterprise's share of Customer Services expense will be allocated 98 percent to the Retail Customers and two percent to the Wholesale Customers, as illustrated on Attachment N-2, Schedule 1.

5.06. Water Enterprise Administrative and General Expenses

Administrative and General expenses consist of the Water Enterprise's share of the cost of general government distributed through the full-cost Countywide Cost Allocation Plan, the services of SFPUC support bureaus, Water Enterprise administrative and general expenses that cannot be directly assigned to a specific operating and maintenance category, and the cost of the Compliance Audit. These four subcategories, and the method by which costs in each are to be calculated and allocated, are as follows:

A. Countywide Cost Allocation Plan

1. Description: This subcategory consists of the Water Enterprise's share of the costs of San Francisco general government and other City central service departments which are not directly billed to the Water Enterprise or other operating departments. All San Francisco operating departments are assigned a prorated share of these costs through the full-cost Countywide Cost Allocation Plan (COWCAP) prepared annually by the San Francisco Controller.

2. Allocation: The Water Enterprise's assigned share of central government costs as shown in the annual full-cost COWCAP prepared by the San Francisco Controller, will be allocated between Retail Customers and Wholesale Customers on the basis of the composite percentage of the allocated expenses in the five categories of operation and maintenance expense described in Section 5.05. The composite wholesale percentage shown on Attachment N-2, Schedule 1 is 42.07 percent, derived by dividing the wholesale share of Operation and Maintenance expenses (\$46,573,883) by total Operation and Maintenance expenses (\$110,700,133).

B. Services of SFPUC Bureaus

1. Description: This subcategory consists of the support services provided to the Water Enterprise by the SFPUC Bureaus, which presently consist of the General

Manager's Office, Business Services, External Affairs, and Infrastructure Bureau. Business Services presently includes Financial Services, Information Technology Services, Human Resource Services, Fleet Management, and Customer Services.

2. Allocation: There are three steps involved in determining the Wholesale Customers' share of SFPUC Bureau costs.

a. Step One: Bureau expenses which have either been recovered separately or which provide no benefit to Wholesale Customers will be excluded. Examples of Bureau expenses recovered separately include (1) Customer Services expenses, which are recovered as provided in Section 5.05.E, and (2) Infrastructure expenses, which are assigned to individual projects and capitalized. An example of a Bureau expense that provides no benefit to Wholesale Customers is Information Technology Services expenses for support of the San Francisco Municipal Railway. In addition, the SFPUC will continue its practice of assigning City Attorney Office expenses charged to the General Manager's Office for projects or lawsuits that relate to only one enterprise directly to that enterprise. For example, costs related to a lawsuit involving the Wastewater Enterprise will not be assigned to the Water Enterprise.

b. Step Two: Bureau expenses adjusted as provided in Step One will be allocated among the Water Enterprise, the Wastewater Enterprise and the Hetch Hetchy Enterprise on the basis of the actual salaries of employees in each enterprise or department, as illustrated on Attachment N-2, Schedule 7.

c. Step Three: The amount allocated to the Water Enterprise through Step Two will be allocated between Retail Customers and Wholesale Customers on the basis of Proportional Annual Use.

C. **Water Enterprise Administrative and General**

1. Description: This category includes expenses incurred by the Water Enterprise that are not readily assignable to specific operating divisions. This category includes the following expenses:

a. Water Administration: This includes the costs of labor and other expenses of the administrative section of the Water Enterprise, supervision and engineering expenses, professional services, travel and training, equipment purchases, and materials and supplies not directly assignable to a specific operating unit.

b. Services Provided by Other City Departments: This includes charges of other San Francisco departments directly billed to the Water Enterprise

administration by other San Francisco departments for services ordered by the Water Enterprise, such as legal services, risk management, telecommunications, employee relations, purchasing, mail services, and workers compensation claims paid.

c. Litigation and Claims Paid: This includes charges incurred for attorney services and claims and judgments paid in litigation arising from the operation of the Water Enterprise.

2. Allocation: In each of these three subcategories, expenses that benefit only Retail Customers will be excluded. For example, the cost of claims and judgments resulting from a break in or leak from pipelines or reservoirs in the Retail Service Area (with the exception of the three terminal reservoirs and pipelines delivering water to them) will be assigned to the Retail Customers. Remaining Water Enterprise Administrative and General expenses will be allocated between Retail Customers and Wholesale Customers on the basis of the composite percentage of allocated operation and maintenance expense categories described in Section 5.05.

D. Compliance Audit. The cost of the Compliance Audit described in Section 7.04 will be assigned 50 percent to the Retail Customers and 50 percent to the Wholesale Customers.

5.07. Water Enterprise Property Taxes

A. Description: This category consists of property taxes levied against property owned by San Francisco located in Alameda, San Mateo and Santa Clara counties and used and managed by the SFPUC.

B. Allocation: All property taxes paid, net of (1) reimbursements received from lessees and permit holders, and (2) refunds from the taxing authority, are Regional expenses. Net property taxes will be allocated between Retail Customers and Wholesale Customers on the basis of Proportional Annual Use.

5.08. Hetch Hetchy Enterprise Expenses

A. **Introduction.** There are two steps involved in determining the amount of the Wholesale Customers' share of Hetch Hetchy Enterprise expenses.

1. The first step is to determine the Water Enterprise's share of Hetch Hetchy Enterprise operation expenses, maintenance expenses, administrative and general expenses, and property taxes.

2. The second step is to determine the Wholesale Customers' share of expenses allocable to the Water Enterprise.

B. Determination of the Water-Related Portion of Hetch Hetchy Enterprise Expenses

1. Operation and Maintenance Expenses: This category consists of the cost of labor, materials and supplies, and other expenses incurred in operating and maintaining Hetch Hetchy Enterprise physical facilities.

a. Description: Expenses associated exclusively with the production and distribution of hydroelectric power (e.g., generating plants and power transmission lines and towers, transformers and associated electric equipment, purchased power, wheeling charges, rental of power lines, etc.) are categorized as Power-Only and are allocated to power. Expenses associated exclusively with the operation and maintenance of facilities that serve only the water function (e.g., water transmission pipelines and aqueducts, activities related to compliance with federal and state drinking water quality laws, etc.) are categorized as Water-Only and are allocated entirely to water. Expenses associated with the operation and maintenance of facilities that serve both the water and power functions (e.g., dams, security programs, etc.) are categorized as Joint and are reallocated as 55 percent Power-Related and 45 percent Water-Related.

2. Administrative and General Expenses: There are three subcategories of Hetch Hetchy Enterprise Administrative and General expenses.

a. Full-Cost Countywide Cost Allocation Plan: This subcategory consists of the cost of San Francisco general government and other City central service departments which are not directly billed to operating departments but allocated through the full-cost Countywide Cost Allocation Plan described in Section 5.06.A. Costs in this subcategory are classified as Joint, and are reallocated as 55 percent Power-Related and 45 percent Water-Related.

b. SFPUC Bureau Costs: This subcategory consists of the expenses described in Section 5.06.B. One hundred percent of Customer Services expenses allocated to the Hetch Hetchy Enterprise are categorized as Power-Only. The remaining amount of Bureau

expenses allocated to the Hetch Hetchy Enterprise pursuant to Section 5.06.B will be reallocated between power and water in proportion to the salaries of Hetch Hetchy Enterprise employees assigned to each function as shown on Attachment N-2, Schedule 7.1.

c. **Other Administrative and General:** This subcategory includes payments to the United States required by the Act, labor, supervision and engineering and other costs not readily assignable to a specific operation or maintenance function or program. Costs related to power administration (such as long range planning and policy analysis for energy development, administration of power contracts, and administration of work orders to City departments for energy services) are Power-Only costs. Costs related to water administration (such as legal and professional services for the protection of the City's water rights) are Water-Only costs and will be assigned to the Water Enterprise. Costs related to both power administration and water administration (such as general administration, office rents, office materials and supplies, and services of other City departments benefitting to both power and water) are Joint administrative and general costs and are reallocated as 55 percent Power-Related and 45 percent Water-Related.

3. **Property Taxes.** This category consists of property taxes levied against property owned by San Francisco in Tuolumne, Stanislaus, San Joaquin, and Alameda counties and operated and managed by the Hetch Hetchy Enterprise.

Allocation: Property taxes are classified as Joint costs. They will be reallocated as 55 percent Power-Related and 45 percent Water-Related.

C. **Calculation of Wholesale Customers' Share of Hetch Hetchy Enterprise Expenses.** The Water Enterprise's share of Hetch Hetchy Enterprise expenses consist of 100 percent of Water-Only expenses and the Water-Related portion (45%) of Joint expenses.

The Wholesale Customers' share of the sum of the Water Enterprise's share of Hetch Hetchy Enterprise expenses determined under subsection B shall be calculated by multiplying that dollar amount by Adjusted Proportional Annual Use.

5.09. Hetch Hetchy Enterprise Capital Costs

A. **Introduction.** Wholesale Customers are also allocated a share of Hetch Hetchy Enterprise capital costs.

B. **Components of Capital Costs.** The components of Hetch Hetchy Enterprise capital costs are as follows:

1. Existing Assets Cost Recovery. The Wholesale Customers' repayment of their share of Hetch Hetchy Existing Assets (Water-Only and the Water-Related portion [45 percent] of Joint assets) is shown on Attachment K-4 accompanying Section 5.03.

2. Debt Service on New Assets. The Water Enterprise will be assigned 100 percent of Net Annual Debt Service attributable to acquisition and construction of New Hetch Hetchy Enterprise assets that are Water-Only and the Water-Related portion (45 percent) of Net Annual Debt Service on New Hetch Hetchy Enterprise Joint assets. The provisions of Section 5.04.A apply to debt service on New Hetch Hetchy Enterprise assets.

3. Revenue-Funded Capital Additions. The Water Enterprise will be assigned 100 percent of capital expenditures from revenues for New Hetch Hetchy Enterprise assets that are Water-Only and the Water-Related portion (45 percent) of such expenditures for new Hetch Hetchy Enterprise Joint assets. The provisions of Section 5.04.B apply to the payment of New revenue-funded Hetch Hetchy Enterprise assets.

C. Calculation of Wholesale Customers' Share of Hetch Hetchy Enterprise Capital Costs. The Wholesale Customers' share of the Net Annual Debt Service and revenue funded capital expenditures determined under subsections B.2 and 3 shall be calculated by multiplying that dollar amount by Adjusted Proportional Annual Use.

5.10. Additional Agreements Related to Financial Issues

A. Wholesale Customers Not Entitled to Certain Revenues. The Wholesale Customers have no entitlement to any of the following sources of revenue to the SFPUC.

1. Revenues from leases or sales of SFPUC real property.
2. Revenues from the other utility services such as the sale of electric power, natural gas and steam.
3. Revenues from the sale of water to customers and entities other than the Wholesale Customers.
4. Revenues earned from the investment of SFPUC funds other than funds contributed by the Wholesale Customers to the Wholesale Revenue Coverage Reserve described in Section 6.06 or the Wholesale Capital Fund described in Section 6.08. Wholesale Customers are also entitled to the benefit of earnings on proceeds of Indebtedness (through

expenditure on New Regional Assets and /or application to Debt Service) and to interest on the Balancing Account as provided in Section 6.05.B.

5. Revenues not related to the sale of water.

B. **Wholesale Customers Not Charged with Certain Expenses**. The Wholesale Customers will not be charged with any of the following expenses:

1. Capital costs for assets constructed or acquired prior to July 1, 1984 other than Existing Asset costs that are repaid pursuant to Section 5.03.

2. Expenses incurred by the SFPUC for generation and distribution of electric power, including Hetch Hetchy Enterprise Power-Only expenses and the Power-Related share of Hetch Hetchy Enterprise Joint expenses. An exception to this is Regional energy costs incurred by the Water Enterprise, for which Wholesale Customers are charged on the basis of Proportional Annual Use.

3. Expenses incurred by SFPUC in providing water to Retail Customers.

4. Expenses associated with the SFPUC's accruals or allocations for uncollectible Retail Water accounts.

5. Attorneys' fees and costs incurred by the Wholesale Customers that a court of competent jurisdiction orders San Francisco to pay as part of a final, binding judgment against San Francisco as provided in Section 8.03.B.2.

6. Any expenses associated with funding any reserves (other than the required Wholesale Revenue Coverage Reserve described in Section 6.06) accrued and not anticipated to be paid within one year unless such reserve is established by mutual agreement of the SFPUC and BAWSCA.

7. Any expenses accrued in respect to pending or threatened litigation, damage or personal injury claims or other loss contingencies unless projected to be paid within one year. Otherwise, such expenses will be charged to the Wholesale Customers when actually paid.

8. Any expense associated with installing, relocating, enlarging, removing or modifying meters and service connections at the request of an individual Wholesale Customer.

9. The Retail Customers' portion of any Environmental Enhancement Surcharges imposed to enforce the Interim Supply Limitation set forth in Section 4.04.

C. **Revenues Not Credited to Payment of Wholesale Revenue Requirement.**

The following payments by Wholesale Customers, individually or collectively, are not credited as Wholesale revenues for purposes of Section 6.05.B:

1. Payments by individual Wholesale Customers of the Environmental Enhancement Surcharge imposed to enforce the Interim Supply Limitation set forth in Section 4.04.
2. Payments of attorneys' fees and costs incurred by San Francisco that a court of competent jurisdiction orders the Wholesale Customers to pay as part of a final, binding judgment against the Wholesale Customers, as provided in Section 8.03.B.3.
3. Payments by individual Wholesale Customers for installation, relocation, enlargement, removal or modification of meters and service connections requested by, and charged to, a Wholesale Customer.
4. Payments applied to the amortization of the ending balance in the balancing account under the 1984 Agreement, pursuant to Section 6.05.A.
5. Payments of the Water Management Charge which are delivered to BAWSCA pursuant to Section 3.06.
6. Payments directed to the Wholesale Revenue Coverage Reserve pursuant to Section 6.06.
7. Prepayments authorized by Sections 5.03.C and 5.03.F.

D. **Other**

1. The Wholesale Customers will receive a proportional benefit from funds received by the SFPUC from (a) governmental grants, rebates, reimbursements or other subventions, (b) private-sector grants for Regional capital or operating purposes of the Water Enterprise and the Water-Only and Water-related portion of Joint Hetch Hetchy Water Enterprise expenses, or (c) a SFPUC use of taxable bonds.

2. The Wholesale Customers will receive a proportionate benefit from recovery of damages, including liquidated damages, by SFPUC from judgments against or settlements with contractors, suppliers, sureties, etc., related to Regional Water System projects and the Water-Only and Water-Related portion of Joint Hetch Hetchy Enterprise projects.

3. The SFPUC will continue to charge Wholesale Customers for assets acquired or constructed with proceeds of Indebtedness on which Wholesale Customers paid Debt Service during the Term of this Agreement on the “cash” basis (as opposed to the “utility” basis) after the expiration or earlier termination of this Agreement. The undertaking in this Section 5.10.D.3 will survive the expiration or earlier termination of this Agreement.

5.11. Classification of Existing System Assets.

Existing System Assets of the Regional Water System include the water storage, transmission, and treatment systems owned and operated by San Francisco in Tuolumne, Stanislaus, San Joaquin, Alameda, Santa Clara, San Mateo and San Francisco Counties. These assets are managed by either the Water Enterprise or the Hetch Hetchy Enterprise and the assets have been classified for purposes of cost allocation.

A. **Water Enterprise Assets.** Water Enterprise assets are currently managed, operated, and maintained by the Water Enterprise and are generally located west of Alameda East Portal, in addition to the treatment facilities located at Tesla and the Thomas Shaft Emergency Disinfection Facility. These assets are classified as Direct Retail, Direct Wholesale, or Regional.

B. **Hetch Hetchy Enterprise Assets.** Hetch Hetchy Enterprise assets are currently managed, operated and maintained by the Hetch Hetchy Enterprise and are generally located east of the Alameda East Portal of the Coast Range Tunnel in Sunol Valley, Alameda County. These assets are classified as Power-Only, Water-Only, or Joint, in accordance with Sections 5.08 and 5.09. Through the Wholesale Revenue Requirement, the Wholesale Customers pay Existing System Asset capital costs and operating expenses in accordance with Section 5.02.F and do not pay capital costs or operating expenses associated with assets classified as Direct Retail, Power-Only, and the Power-Related portion of Joint assets.

C. **Attachment R Documents Classifications.** To facilitate WSA administration, Attachment R documents the classification of major Existing System Assets operated by the Hetch Hetchy Enterprise. Attachment R consists of three documents: R-1 Introduction, R-2 Special Classification of Discrete Projects for 2018 Amendment Purposes, and R-3 Major Hetch Hetchy Enterprise Existing System Assets. Attachment R may be modified as specified in Section 5.11.D and in the manner set forth in Section 2.03.C.

D. **Attachment R-3, Major Hetch Hetchy Enterprise Existing System Assets is Not Exhaustive.** Existing System Assets include, but are not limited to, land; fixed infrastructure such as dams, tunnels, buildings, water treatment plants and pipelines; equipment such as pumps and vehicles; and related appurtenances. Major Hetch Hetchy Enterprise Existing System Assets, and their classifications, are listed in Attachment R-3. Attachment R-3 does not include all assets of the Regional Water System, but represents the parties' best efforts to document major Hetch Hetchy Enterprise Existing System Assets that would incur capital costs and operating expenses subject to cost allocation. The classification of assets listed on R-3 may not be changed during the Term, any Extension Term, and any renewal of the Agreement, however, Attachment R-3 may be modified by mutual agreement in accordance with Section 2.03.C to (1) add an asset that was inadvertently omitted, (2) to add a new asset, and (3) remove a destroyed or obsolete asset. In the event that the parties cannot agree on the classification of any omitted or new assets, the dispute shall be subject to arbitration under Section 8.01.

E. **Attachment R-3, Major Hetch Hetchy Enterprise Existing System Assets Classifications are Fixed.** The classification of the major Hetch Hetchy Enterprise Existing System Assets is fixed and shall control the allocation of capital costs and operating expenses for the remainder of the Term, any Extension Terms, and any renewal of the Agreement. However, changes may be proposed in accordance with subsection G below. Capital costs and operating expenses are meant to be inclusive of all costs related to assets, including, but not limited to, any alterations, additions, improvements, rehabilitation, replacement of assets, and equipment that is appurtenant thereto. Since asset classifications are fixed in Attachment R-3, asset classifications may not be modified by mutual agreement in accordance with Section 2.03.C.

F. **Attachment R-2, Special Classification of Discrete Projects for 2018 Amendment Purposes.** Past, ongoing and future capital projects involving five Hetch Hetchy Enterprise Existing System Assets defined in Attachment R-2 have classifications that differ from the underlying asset classifications. These project-related classification changes shown on Attachment R-2, are part of the 2018 amendments to the Agreement and are not precedential for any other asset-related capital cost or operating expense. With the exception of the defined projects related to the five assets listed on R-2, the capital projects for all assets follow the asset classifications. Capital projects listed on Attachment R-2 must be approved by the SFPUC following necessary CEQA review.

G. **Five Year Notice of Intent to Renegotiate Cost Allocation.** In the event San Francisco or the Wholesale Customers, which may be represented by BAWSCA, wish to propose and negotiate a change in Existing System Asset classifications, or a change in the Water-Related portion (45 percent) of Joint expenses, for the next Water Supply Agreement, such party must provide the other at least 5 years' written notice prior to the expiration of the Term or Extension Term, or the renewal of the Agreement. At a minimum, the noticing party must provide a comprehensive analysis of the financial and rate impacts of the proposed change at least two years prior to the expiration of the Term or Extension Term, or the renewal of the Agreement.

To meet this requirement, the parties may agree to jointly analyze, under a separate agreement, system capacity and usage and/or new assets, as well as other possible alternative cost allocation methodologies. Either party may also unilaterally initiate such studies by consultants of their choice and bear all their own costs.

Article 6. Integration of Wholesale Revenue Requirement with SFPUC Budget Development and Rate Adjustments

6.01. General

A. The purpose of the allocation bases set forth in Article 5 is to determine the Wholesale Revenue Requirement for each fiscal year. The Wholesale Revenue Requirement can only be estimated in advance, based on projected costs and water deliveries. These projections are used to establish water rates applicable to the Wholesale Customers.

B. After the close of each fiscal year, the procedures described in Article 7 will be used to determine the actual Wholesale Revenue Requirement for that year, based on actual costs incurred, allocated according to the provisions of Article 5, and using actual water delivery data. The amount properly allocated to the Wholesale Customers shall be compared to the amount billed to the Wholesale Customers for the fiscal year, other than those identified in Section 5.10.C. The difference will be entered into a balancing account to be charged to, or credited to, the Wholesale Customers, as appropriate.

C. The balancing account shall be managed as described in Section 6.05.

6.02. Budget Development

The SFPUC General Manager will send a copy of the proposed SFPUC budget to BAWSCA at the same time as it is sent to the Commission. In addition, a copy of materials submitted to the Commission for consideration at meetings prior to the meeting at which the overall SFPUC budget is considered (including (a) operating budgets for the Water Enterprise and the Hetch Hetchy Enterprise, (b) budgets for SFPUC Bureaus, and (c) capital budgets for the Water Enterprise and the Hetch Hetchy Enterprise) will also be sent to BAWSCA concurrently with their submission to the Commission.

6.03. Rate Adjustments

A. **Budget Coordinated Rate Adjustments**. Adjustments to the rates applicable to the Wholesale Customers shall be coordinated with the budget development process described in this section except to the extent that Sections 6.03.B and 6.03.C authorize emergency rate increases and drought rate increases, respectively.

If the SFPUC intends to increase wholesale water rates during the ensuing fiscal year, it will comply with the following procedures:

1. Adjustments to the wholesale rates will be adopted by the Commission at a regularly scheduled meeting or at special meeting, properly noticed, called for the purpose of adjusting rates or for taking any other action under the jurisdiction of the Commission.

2. The SFPUC will send a written notice by mail or electronic means to each Wholesale Customer and to BAWSCA of the recommended adjustment at least thirty (30) days prior to the date of the meeting at which the Commission will consider the proposed adjustment. The notice will include the date, time and place of the Commission meeting.

3. The SFPUC shall prepare and provide to each Wholesale Customer and to BAWSCA the following materials: (a) a table illustrating how the increase or decrease in the Wholesale Revenue Requirement and wholesale rates were calculated, substantially in the form of Attachment N-1, (b) a schedule showing the projected expenses included in the Wholesale Revenue Requirement for the fiscal year for which the rates are being proposed, and supporting materials, substantially in the form of Attachment N-2, and (c) a schedule showing projected water sales, Wholesale Revenue Requirements and wholesale rates for the fiscal year for which rates are being set and the following four years, substantially in the form of Attachment N-3. These materials will be included with the notification required by Section 6.03.A.2.

4. Rate adjustments will be effective no sooner than thirty (30) days after adoption of the wholesale rate by the Commission.

5. San Francisco will use its best efforts to provide the Wholesale Customers with the information described above. San Francisco's failure to comply with the requirements set forth in this section shall not invalidate any action taken by the Commission (including, but not limited to, any rate increase or decrease adopted). In the event of such failure, the Wholesale Customers may either invoke arbitration, as set forth in Section 8.01, or seek injunctive relief, to compel San Francisco to remedy the failure as soon as is reasonably practical, and San Francisco shall be free to oppose the issuance of the requested judicial or arbitral relief on any applicable legal or equitable basis. The existence of this right to resort to arbitration shall not be deemed to preclude the right to seek injunctive relief.

6. Because delays in the budget process or other events may cause San Francisco to defer the effective date of Wholesale Customer rate adjustments until after the beginning of San Francisco's fiscal year, nothing contained in this Agreement shall require San Francisco to make any changes in the water rates charged to Wholesale Customers effective at

the start of San Francisco's fiscal year or at any other specific date. Nothing in the preceding sentence shall excuse non-compliance with the provisions of Section 6.02 and this section.

B. **Emergency Rate Increases.** The Commission may adjust the Wholesale Customers' rates without complying with the requirements of Section 6.03.A in response to an Emergency that damages the Regional Water System and disrupts San Francisco's ability to maintain normal deliveries of water to Retail and Wholesale Customers. In such an Emergency, the Commission may adopt an emergency rate surcharge applicable to Wholesale Customers without following the procedures set forth in this section, provided that any such rate surcharge imposed by the Commission shall be applicable to both Retail and Wholesale Customers and incorporate the same percentage increase for all customers. Any emergency rate surcharge adopted by the Commission shall remain in effect only until the next-budget coordinated rate-setting cycle.

C. **Drought Rates.** If the Commission declares a water shortage emergency under Water Code Section 350, implements the Tier 1 Shortage Plan (Attachment H) described in Section 3.11.C, and imposes drought rates on Retail Customers, it may concurrently adjust wholesale rates independently of coordination with the annual budget process. Those adjustments may be designed to encourage water conservation and may constitute changes to the structure of the rates within the meaning of Section 6.04. The parties agree, however, that, in adopting changes in rates in response to a declaration of water shortage emergency, the Commission shall comply with Section 6.03.A.1 and 2 but need not comply with Section 6.04.B. Drought Rate payments and payments of excess use charges levied in accordance with the Tier 1 Shortage Plan described in Section 3.11.C constitute Wholesale Customer Revenue and count towards the Wholesale Revenue Requirement. The SFPUC may use these revenues to purchase additional water for the Wholesale Customers from the State Drought Water Bank or other willing seller.

6.04. Rate Structure

A. This Agreement is not intended and shall not be construed to limit the Commission's right (a) to adjust the structure of the rate schedule applicable to the Wholesale Customers (i.e., the relationship among the several charges set out therein) or (b) to add, delete, or change the various charges which make up the rate schedule, provided that neither such charges nor the structure of the rate schedule(s) applicable to the Wholesale Customers shall be arbitrary, unreasonable, or unjustly discriminatory as among said customers. The

SFPUC will give careful consideration to proposals for changes in the rate schedule made jointly by the Wholesale Customers but, subject to the limitations set out above, shall retain the sole and exclusive right to determine the structure of the rate schedule.

B. If the SFPUC intends to recommend that the Commission adopt one or more changes to the structure of wholesale rates (currently set forth in SFPUC Rate Schedule W-25), it shall prepare and distribute to the Wholesale Customers and BAWSCA a report describing the proposed change(s), the purpose(s) for which it/they are being considered, and the estimated financial effect on individual Wholesale Customers or classes of customers. Wholesale Customers may submit comments on the report to the SFPUC for sixty (60) days after receiving the report. The SFPUC will consider these comments and, if it determines to recommend that the Commission adopt the change(s), as described in the report or as modified in response to comments, the SFPUC General Manager shall submit a report to the Commission recommending specific change(s) in the rate structure. Copies of the General Manager's report shall be sent to all Wholesale Customers and BAWSCA at least thirty (30) days prior to the Commission meeting at which the changes will be considered.

C. The SFPUC may recommend, and the Commission may adopt, changes in the structure of wholesale rates at any time. However, the new rate schedule implementing these changes will become effective at the beginning of the following fiscal year.

6.05. Balancing Account

A. **Balancing Account Established Under 1984 Agreement.** The amount of credit in favor of San Francisco as of the expiration of the term of 1984 Agreement (June 30, 2009) is not known with certainty as of preparation and execution of this Agreement. It will not be known with certainty until the Compliance Audit for FY 2008-09 is completed and disputes, if any, that the Wholesale Customers or the SFPUC may have with the calculation of the Suburban Revenue Requirement for that fiscal year and for previous fiscal years have been settled or decided by arbitration.

The parties anticipate that the amount of the credit in favor of San Francisco as of June 30, 2009 may be within the range of \$15 million to \$20 million.

In order to reduce the credit balance due San Francisco under the 1984 Agreement in an orderly manner, while avoiding unnecessary fluctuations in wholesale rates, the parties agree to implement the following procedure.

1. In setting wholesale rates for FY 2009-10, SFPUC will include a balancing account repayment of approximately \$2 million.

2. In setting wholesale rates for FY 2010-11 and following years, SFPUC will include a balancing account repayment of not less than \$2 million and not more than \$5 million annually until the full amount of the balance due, plus interest at the rate specified in Section 6.05.B, is repaid.

3. The actual ending balance as of June 30, 2009 will be determined, by the parties' agreement or arbitral ruling, after the Compliance Audit report for FY 2008-09 is delivered to BAWSCA. That amount, once determined, will establish the principal to be amortized through subsequent years' repayments pursuant to this Section 6.05.A.

B. Balancing Account Under This Agreement

1. Operation. After the close of each fiscal year, the SFPUC will compute the costs allocable to the Wholesale Customers for that fiscal year pursuant to Article 5, based on actual costs incurred by the SFPUC and actual amounts of water used by the Wholesale Customers and the Retail Customers. That amount will be compared to the amounts billed to the Wholesale Customers for that fiscal year (including any Excess Use Charges, but excluding revenues described in Section 5.10.C). The difference will be posted to a "balancing account" as a credit to, or charge against, the Wholesale Customers. Interest shall also be posted to the balancing account calculated by multiplying the amount of the opening balance by the average net interest rate, certified by the Controller as earned in the San Francisco Treasury for the previous fiscal year on the San Francisco County Pooled Investment Account. Interest, when posted, will carry the same mathematical sign (whether positive or negative) as carried by the opening balance. The amount posted to the balancing account in each year shall be added to, or subtracted from, the balance in the account from previous years. The calculation of the amount to be posted to the balancing account shall be included in the report prepared by the SFPUC pursuant to Section 7.02.

The opening balance for fiscal year 2009-10 shall be zero.

2. Integration of Balancing Account with Wholesale Rate Setting Process. If the amount in the balancing account is owed to the Wholesale Customers (a positive balance), the SFPUC shall take it into consideration in establishing wholesale rates. However, the SFPUC need not apply the entire amount to reduce wholesale rates for the immediately ensuing

year. Instead, the SFPUC may prorate a positive ending balance over a period of up to three successive years in order to avoid fluctuating decreases and increases in wholesale rates.

a. If a positive balance is maintained for three successive years and represents 10 percent or more of the Wholesale Revenue Requirement for the most recent fiscal year, the SFPUC shall consult with BAWSCA as to the Wholesale Customers' preferred application of the balance. The Wholesale Customers shall, through BAWSCA, direct that the positive balance be applied to one or more of the following purposes: (a) transfer to the Wholesale Revenue Coverage Reserve, (b) amortization of any remaining negative balance from the ending balancing account under the 1984 Agreement, (c) prepayment of the existing asset balance under Section 5.03, (d) water conservation or water supply projects administered by or through BAWSCA, (e) immediate reduction of wholesale rates, or (f) continued retention for future rate stabilization purposes. In the absence of a direction from BAWSCA, the SFPUC shall continue to retain the balance for rate stabilization in subsequent years.

b. If the amount in the balancing account is owed to the SFPUC (a negative balance), the SFPUC shall not be obligated to apply all or any part of the negative balance in establishing wholesale rates for the immediately ensuring year. Instead, the SFPUC may prorate the negative balance in whole or in part over multiple years in order to avoid fluctuating increases and decreases in wholesale rates.

6.06. Wholesale Revenue Coverage Reserve

A. The SFPUC may include in wholesale rates for any fiscal year an additional dollar amount ("Wholesale Revenue Coverage"), which for any fiscal year shall equal the following:

1. The lesser of (i) 25% of the Wholesale Customers' share of Net Annual Debt Service for that fiscal year determined as described in Section 5.04.A, or (ii) the amount necessary to meet the Wholesale Customers' proportionate share of Debt Service coverage required by then-current Indebtedness for that fiscal year, minus

2. A credit for (i) the actual amounts previously deposited in the "Wholesale Revenue Coverage Reserve" (as defined in subsection B below), (ii) accrued interest on the amounts on deposit in the Wholesale Revenue Coverage Reserve, and (iii) an amount equal to any additional interest that would have accrued on the actual amounts previously deposited in the Wholesale Revenue Coverage Reserve assuming no withdrawals had been made therefrom.

B. During each fiscal year, the SFPUC will set aside and deposit that portion of revenue equal to Wholesale Revenue Coverage into a separate account that the SFPUC will establish and maintain, to be known as the "Wholesale Revenue Coverage Reserve." Deposits into the Wholesale Revenue Coverage Reserve shall be made no less frequently than monthly. The Wholesale Revenue Coverage Reserve shall be credited with interest at the rate specified in Section 6.05.B. The SFPUC may use amounts in the Wholesale Revenue Coverage Reserve for any lawful purpose. Any balance in the Wholesale Revenue Coverage Reserve in excess of the Wholesale Revenue Coverage amount as of the end of any fiscal year (as calculated in subsection 6.06(A) above) shall be applied as a credit against wholesale rates in the immediately following fiscal year unless otherwise directed by BAWSCA.

C. Within 180 days following the later of expiration of the Term or final payment of Debt Service due on Indebtedness issued during the Term to which Wholesale Customers were contributing, SFPUC shall rebate to the Wholesale Customers an amount equal to the Wholesale Revenue Coverage amount in effect for the fiscal year during which the Term expires or the final payment of Debt Service on Indebtedness is made based on each Wholesale Customer's Proportional Annual Use in the fiscal year during which the Term expires or the final payment of debt service on Indebtedness is made.

D. SFPUC shall provide a schedule of debt issuance (with assumptions), and the Wholesale Customers' share of Net Annual Debt Service (actual and projected) expected to be included in wholesale rates starting in 2009-10 through the expected completion of the WSIP. The schedule is to be updated annually prior to rate setting. If estimated Debt Service is used in rate setting, the SFPUC must be able to demonstrate that the Water Enterprise revenues will be sufficient to meet the additional bonds test for the proposed bonds and rate covenants for the upcoming year.

E. Conditions in the municipal bond market may change from those prevailing in 2009. If, prior to expiration of the Term, the SFPUC determines that it would be in the best financial interest of both Retail Customers and Wholesale Customers of the Regional Water System for the Debt Service coverage requirement to be increased in one or more series of proposed new Indebtedness above 1.25%, or for the coverage covenant to be strengthened in other ways, it will provide a written report to BAWSCA. The report will contain (1) a description of proposed covenant(s) in the bond indenture; (2) an explanation of how savings are expected to be achieved (e.g., increase in the SFPUC's credit rating over the then-current level; ability to

obtain credit enhancement, etc.); (3) the estimated all-in true interest cost savings; (4) a comparison of the Wholesale Revenue Requirements using the Debt Service coverage limitation in subsection A and under the proposed methodology; and (5) a comparison of the respective monetary benefits expected to be received by both Retail and Wholesale Customers. The SFPUC and BAWSCA agree to meet and confer in good faith about the proposed changes.

F. Any increase in Debt Service coverage proposed by the SFPUC shall be commensurate with Proportional Water Use by Retail and Wholesale Customers. If the SFPUC demonstrates that an increase in Debt Service coverage will result in equivalent percentage reductions in total Wholesale and Retail Debt Service payments over the life of the proposed new Indebtedness, based on Proportional Water Use, BAWSCA may agree to a modification of the Wholesale Revenue Coverage requirement in subsection A. If BAWSCA does not agree to a proposed modification in coverage requirements in the covenants for new Indebtedness, SFPUC may nevertheless proceed with the modification and the issuance of new Indebtedness. Any Wholesale Customer, or BAWSCA, may challenge an increase in the Wholesale Revenue Requirement resulting from the modification in Debt Service coverage through arbitration as provided in Section 8.01.A. If the arbitrator finds that the increase in Debt Service coverage (1) did not and will not result in equivalent percentage reductions in total Wholesale and Retail Debt Service payments over the life of the proposed new Indebtedness, based on Proportional Water Use, or (2) was not commensurate with Proportional Water Use, the arbitrator may order the Wholesale Revenue Requirement to be recalculated both retrospectively and prospectively to eliminate the differential impact to Wholesale or Retail Customers, subject to the limitation in Section 8.01.C.

6.07. Working Capital Requirement

A. The SFPUC maintains working capital in the form of unappropriated reserves for the purpose of bridging the gap between when the SFPUC incurs operating expenses required to provide service and when it receives revenues from its Retail and Wholesale Customers. The Wholesale Customers shall fund their share of working capital as part of the annual Wholesale Revenue Requirement calculation. The amount of wholesale working capital for which the Wholesale Customers will be responsible will be determined using the 60-day standard formula approach.

B. Applying this approach, annual wholesale working capital equals one-sixth of the wholesale allocation of operation and maintenance, administrative and general, and property tax

expenses for the Water and Hetch Hetchy Enterprises. Wholesale working capital shall be calculated separately for the Water and Hetch Hetchy Enterprises.

C. Each month, the sum of the Water Enterprise and Hetch Hetchy Enterprise working capital components will be compared with the ending balance in the Wholesale Revenue Coverage Reserve to determine if the Wholesale Customers provided the minimum required working capital. If the Wholesale Revenue Coverage Reserve is greater than the total Water Enterprise and Hetch Hetchy Enterprise working capital requirement, the Wholesale Customers will have provided their share of working capital. If the Wholesale Revenue Coverage Reserve is less than the total Water Enterprise and Hetch Hetchy Enterprise working capital requirement, the Wholesale Customers will be charged interest on the difference, which will be included in the adjustment to the Balancing Account under Section 6.05.B for the subsequent fiscal year.

6.08. Wholesale Capital Fund

A. The SFPUC currently funds revenue-funded capital projects through annual budget appropriations that are included in rates established for that fiscal year and transferred to a capital project fund from which expenditures are made. Consistent with the San Francisco Charter and Administrative Code, the SFPUC appropriates funds in advance of construction in order to maintain a positive balance in the capital project fund. The capital project fund also accrues interest and any unspent appropriations in excess of total project costs. It is the SFPUC's practice to regularly monitor the capital project fund balance to determine whether a surplus has accumulated, which can be credited against the next fiscal year's capital project appropriation.

B. The SFPUC shall establish a comparable Wholesale Revenue-Funded Capital Fund (Wholesale Capital Fund) to enable the Wholesale Customers to fund the wholesale share of revenue-funded New Regional Assets. The Wholesale Capital Fund balance is zero as of July 1, 2009. The SFPUC may include in wholesale rates for any fiscal year an amount equal to the wholesale share of the SFPUC's appropriation for revenue funded New Regional Assets for that year, which sum will be credited to the Wholesale Capital Fund. The wholesale share of other sources of funding, where legally permitted and appropriately accounted for under GAAP, will also be credited to the Wholesale Capital Fund, together with interest earnings on the Wholesale Capital Fund balance.

C. The SFPUC will expend revenues appropriated and transferred to the Wholesale Capital Fund only on New Regional Assets. The annual capital appropriation included in each fiscal year's budget will be provided to BAWSCA in accordance with Section 6.02 and will take into account the current and projected balance in the Wholesale Capital Fund, as well as current and projected unexpended and unencumbered surplus, as shown on attachment M-1, which will be prepared by the SFPUC each year.

D. Commencing on November 30, 2010 and thereafter in each fiscal year during the Term, the SFPUC will also provide an annual report to BAWSCA on the status of individual revenue-funded New Regional Assets, substantially in the form of Attachment M-2.

E. In order to prevent the accumulation of an excessive unexpended and unencumbered balance in the Wholesale Capital Fund, the status of the fund balance will be reviewed through the annual Compliance Audit, commencing in FY 2018-19. The FY 2018-19 Compliance Audit and the Wholesale Customer/BAWSCA review under Section 7.06 shall include Wholesale Capital Fund appropriations, expenditures and interest earnings for FY 2014-15 through 2017-18 for the purpose of determining whether a Balancing Account transfer is required. If the June 30 unencumbered balance of the Wholesale Capital Fund exceeds the lesser of the following: (i) the Target Balance; (ii) the unencumbered remaining cumulative appropriations, the amount of such excess shall be transferred to the credit of the Wholesale Customers to the Balancing Account described in Section 6.05.

In order to avoid funding delays for New Regional Asset capital projects resulting from prior year transfers of excess Wholesale Capital fund balances to the Wholesale Customers, if the June 30 unencumbered balance of the Wholesale Capital Fund is below the lesser of the following: (i) the Target Balance; (ii) the unencumbered remaining cumulative appropriation, such deficiency shall be posted to the Balancing Account described in Section 6.05 as a charge to the Wholesale Customers. Notwithstanding the foregoing, no such charge to the Wholesale Customers shall exceed \$4 million annually.

Amended Attachment M-3 illustrates the process for determining the Wholesale Capital Fund balance as of June 30, 2019.

F. Three years prior to the end of the Term, the SFPUC and BAWSCA will discuss the disposition of the Wholesale Capital Fund balance at the end of the Term. Absent

agreement, any balance remaining in the Wholesale Capital Fund at the end of the Term shall be transferred to the Balancing Account, to the credit of the Wholesale Customers.

6.09. SFPUC Adoption of Regional Water System 10-Year Capital Improvement Program

A. **Established Level of Service Goals and Objectives**. In approving the WSIP, the Commission adopted Level of Service Goals and Objectives that are, in part, used to develop capital programs related to water, including the 10-Year Capital Improvement Program for the Regional Water System (“10-Year CIP”). BAWSCA and the Wholesale Customers shall have the opportunity to review and provide written or oral comments on any changes to the Level of Service Goals and Objectives that may be submitted to the Commission for approval.

B. **Submittal of an Asset Management Policy**. Prior to December 31, 2020, the SFPUC shall develop and submit to the Commission for approval an Asset Management Policy applicable to the Regional Water System.

C. **Coordination of 10-Year CIP and SFPUC Budget Meetings**. The Commission annually reviews, updates, and adopts a 10-Year CIP pursuant to Section 8B.123 of the San Francisco Charter. At two-year intervals, the Commission holds two budget meetings concerning the 10-Year CIP. Over the course of the two budget meetings, the SFPUC reviews its budget priorities, potential changes to projects in the previously adopted 10-Year CIP, and the potential financial implications of such changes. In the event that Charter amendments are placed on the ballot that could alter or amend the City’s budget preparation and adoption efforts, BAWSCA shall be notified in advance of any proposed change that could result in a less robust CIP development effort, and BAWSCA and the SFPUC shall meet to consider BAWSCA’s comments on maintaining a robust CIP development effort.

D. **Mid-cycle Changes to the 10-Year CIP**. The SFPUC shall include within the Water Enterprise Capital Improvement Program Quarterly Projects Reports that it provides to the Commission (“CIP Quarterly Projects Reports”) discussion of any material changes proposed to projects that are included in the most recently adopted 10-Year CIP. The SFPUC defines a material change as a change that applies to a CIP project whose approved CIP budget is equal to or greater than \$5,000,000 that results in one or more of the following:

1. Increases the cost of the CIP project by more than 10%.
2. Increases the schedule of the CIP project by extending said schedule by 12 calendar months or greater.

3. Affects the SFPUC's ability to meet the Level of Service Goals and Objectives.

The SFPUC shall also include within the CIP Quarterly Projects Reports discussion of any new capital project that is not included in the most recently adopted 10-Year CIP if the SFPUC has 1) begun spending on the project and 2) anticipates that it will require total funding in excess of \$5,000,000. For such projects, the parties recognize that the work may be of an urgent nature and that details of those projects may be developing quickly to address a critical need. The SFPUC commits that, for these projects, an expanded discussion will be provided in quarterly reports generated 6 months following the creation of the project in the City's finance and accounting system. At a minimum, the discussion will include: 1) a detailed scope of work, 2) schedule, 3) cost breakdown, and 4) proposed source of funding. This level of detail shall continue to be included in subsequent quarterly reports through either the completion of the work or until the work is included as part of an adopted 10-Year CIP.

E. **BAWSCA and Wholesale Customer Notice and Review.** Beginning in 2020, at least 30 days before the first budget meeting, the SFPUC shall provide BAWSCA and the Wholesale Customers with written notice of the dates of the two budget meetings. At least 30 days before the first budget meeting, the SFPUC shall also provide BAWSCA and the Wholesale Customers with a draft of the 10-Year CIP and meet with those same parties to review potential candidate projects that it is considering for inclusion in the 10-Year CIP. Final materials for the first budget meeting will be made available to BAWSCA and the Wholesale Customers no less than 14 days prior to that budget meeting. Final materials for the second budget meeting will be made available to BAWSCA and the Wholesale Customers on the same date that they are made available to the Commission. Prior to the Commission's adoption of the 10-Year CIP at the second budget meeting, San Francisco shall respond, in writing, to all written comments by BAWSCA and the Wholesale Customers on the 10-Year CIP that were submitted prior to the date of the first budget meeting.

F. **Contents of Draft 10-Year CIP – Projects in Years One and Two of 10-Year Schedule.** The SFPUC's CIP projects generally fall into three categories: defined projects, placeholder concepts that could become projects, and programmatic spending for expenses likely to be made but for which there is no schedule. Projects in the near-term years of the 10-Year CIP have more definition than those in the outer years, and as a result more detailed information is available for them. For each project listed that has significant expected

expenditures identified in the first two years of the 10-Year CIP, the draft 10-Year CIP made available to BAWSCA and the Wholesale Customers shall include the following elements:

1. Project name.
2. Project description and justification.
3. Description of the project's relationship to the Level of Service Goals and Objectives.
4. Project asset classification for cost-allocation purposes, pursuant to Attachment R for Hetch Hetchy Enterprise assets, or as Regional or Retail for Water Enterprise assets.
5. Project schedule where applicable, broken down by phase, through to completion.
6. Total project budget estimate including a proposed inflation rate.

G. **Contents of Draft 10-Year CIP – Projects Listed After First Two Years of 10-Year Schedule.** For each project that is listed in years three through ten of the 10-Year CIP, the draft 10-Year CIP made available to BAWSCA and the Wholesale Customers shall include the following elements:

1. Project name.
2. Project description and justification.
3. Description of the project's relationship to the Level of Service Goals and Objectives.
4. Project asset classification for cost-allocation purposes, pursuant to Attachment R for Hetch Hetchy Enterprise assets, or as Regional or Retail for Water Enterprise assets.
5. Project schedule information that forms the basis for project planning if available.
6. Total project budget estimate.

H. **Additional Contents of Draft 10-Year CIP.** The draft 10-Year CIP made available to BAWSCA and the Wholesale Customers shall also include the following:

1. A discussion of any changes to projects in the previously adopted 10-Year CIP, the reasons for such changes, any impact of the proposed changes on the SFPUC's ability to achieve the Level of Service Goals

and Objectives, and the SFPUC's proposal for meeting the specific Level of Service Goals and Objectives in question.

2. A discussion of factors that have influenced the 10-Year CIP budget or identified projects, or have the potential to influence the overall budget or the number, cost and scale of identified projects, such as rate increase considerations, local rate setting policies, etc.
3. A discussion of how the CIP will be staffed.
4. A cash flow estimate for each project included as part of the first five years of the 10-Year CIP that considers historical spending and changes in the amount of work to be done.
5. Project spreadsheets that separate new projects from existing projects.
6. A summary roll-up for Regional costs, including all programmatic costs budgeted in the 10-Year CIP.

I. **Quarterly Reporting and Meetings.**

1. **CIP Quarterly Projects Reports.** The SFPUC shall include within the CIP Quarterly Projects Reports a detailed status update of each Regional project in the 10-Year CIP that has an estimated cost greater than \$5 million and a summary of the work completed to date for such projects. The CIP Quarterly Projects Reports shall focus on the first two years' projects in the 10-Year CIP, but shall also demonstrate a connection to the 10-Year CIP asset classification and the Level of Service Goals and Objectives. The CIP Quarterly Projects Reports shall identify any Regional project in the 10-Year CIP with an estimated cost greater than \$5 million that is behind schedule, and, for each project so identified, shall describe the SFPUC's plan and timeline for either making up the delay or adopting a revised project schedule. In each fourth quarter of the fiscal year CIP Quarterly Projects Report, the SFPUC will also address the status of Regional projects in the 10-Year CIP that have an estimated cost of less than \$5 million, noting any such projects that are behind schedule and describing the SFPUC's plan and timeline for either making up the delay or adopting a revised project schedule.

2. **Quarterly Meetings.** If requested by BAWSCA, the SFPUC shall hold quarterly meetings with BAWSCA to review each CIP Quarterly Projects Report, during which the SFPUC shall present information and detail about the individual projects and overall implementation of the 10-Year CIP, as well as the need for re-prioritization and/or the proposal

of new candidate projects for consideration as part of the next update of the 10-Year CIP. As part of the meeting held in each fourth quarter of the fiscal year, the SFPUC shall provide additional information and detail regarding the CIP development schedule and associated coordination proposed with BAWSCA.

Article 7. Accounting Procedures; Compliance Audit

7.01. SFPUC Accounting Principles, Practices

A. **Accounting Principles.** San Francisco will maintain the accounts of the SFPUC and the Water and Hetch Hetchy Enterprises in conformity with Generally Accepted Accounting Principles. San Francisco will apply all applicable pronouncements of the Governmental Accounting Standards Board (GASB) as well as statements and interpretations of the Financial Accounting Standards Board and Accounting Principles Board opinions issued on or before March 30, 1989, unless those pronouncements or opinions conflict with GASB pronouncements.

B. **General Rule.** San Francisco will maintain the accounting records of the SFPUC and the Water and Hetch Hetchy Enterprises in a format and level of detail sufficient to allow it to determine the annual Wholesale Revenue Requirement in compliance with this Agreement and to allow its determination of the Wholesale Revenue Requirement to be audited as provided in Section 7.04.

C. **Water Enterprise.** San Francisco will maintain an account structure which allows utility plant and operating and maintenance expenses to be segregated by location (inside San Francisco and outside San Francisco) and by function (Direct Retail, Regional and Direct Wholesale).

D. **Hetch Hetchy Enterprise.** San Francisco will maintain an account structure which allows utility plant and operating and maintenance expenses to be segregated into Water Only, Power Only and Joint categories.

E. **SFPUC.** San Francisco will maintain an account structure which allows any expenses of SFPUC bureaus that benefit only the Wastewater Enterprise, the Power-Only operations of the Hetch Hetchy Enterprise or Retail Customers to be excluded from the Wholesale Revenue Requirement.

F. **Utility Plant Ledgers.** San Francisco will maintain subsidiary plant ledgers for the Water and Hetch Hetchy Enterprises that contain unique identifying numbers for all assets included in the rate base and identify the original cost, annual depreciation, accumulated depreciation, date placed in service, useful life, salvage value if any, source of funding (e.g., bond series, revenues, grants), and classification for purposes of this Agreement.

G. **Debt.** San Francisco will maintain documentation identifying:

1. The portion of total bonded debt outstanding related to each series of each bond issue.
2. The portion of total interest expense related to each series of each bond issue.
3. The use of proceeds of each bond issue (including proceeds of commercial paper and/or other interim financial instruments redeemed or expected to be redeemed from bonds and earnings on the proceeds of financings) in sufficient detail to determine, for each bond issue, the proceeds and earnings of each (including proceeds and earnings of interim financing vehicles redeemed by a bond issue) and the total amounts expended on Direct Retail improvements and the total amounts expended on Regional improvements.

H. **Changes in Accounting.** Subject to subsections A thru G, San Francisco may change the chart of accounts and accounting practices of the SFPUC and the Water and Hetch Hetchy Enterprises. However, the allocation of any expense to the Wholesale Customers that is specified in the Agreement may not be changed merely because of a change in (1) the accounting system or chart of accounts used by SFPUC, (2) the account to which an expense is posted or (3) a change in the organizational structure of the SFPUC or the Water or Hetch Hetchy Enterprises.

I. **Audit.** San Francisco will arrange for an audit of the financial statements of Water and Hetch Hetchy Enterprises to be conducted each year by an independent certified public accountant, appointed by the Controller, in accordance with Generally Accepted Auditing Standards.

7.02. Calculation of and Report on Wholesale Revenue Requirement

A. Within five months after the close of each fiscal year, San Francisco will prepare a report showing its calculation of the Wholesale Revenue Requirement for the preceding fiscal year and the change in the balancing account as of the end of that fiscal year. The first such report will be prepared by November 30, 2010 and will cover fiscal year 2009-10 and the balancing account as of June 30, 2010.

B. The report will consist of the following items:

1. Statement of changes in the balancing account for the fiscal year being reported on, and for the immediately preceding fiscal year, substantially in the form of Attachment O.
2. Detailed supporting schedules 8.1 through 8.2 substantially in the form of Attachment N-2.
3. Description and explanation of any changes in San Francisco's accounting practices from those previously in effect.
4. Explanation of any line item of expense (shown on Attachment N-2, schedules 1 and 4) for which the amount allocated to the Wholesale Customers increased by (a) ten percent or more from the preceding fiscal year, or (b) more than \$1,000,000.
5. Representation letter signed by the SFPUC General Manager and by other SFPUC financial staff shown on Attachment P, as the General Manager may direct, subject to change in position titles at the discretion of the SFPUC.

C. The report will be delivered to the BAWSCA General Manager by the date identified in Subsection A.

Once the report has been delivered to BAWSCA, San Francisco will, upon request:

1. Provide BAWSCA with access to, and copies of, all worksheets and supporting documents used or prepared by San Francisco during its calculation of the Wholesale Revenue Requirement;
2. Make available to BAWSCA all supporting documentation and calculations used by San Francisco in preparing the report; and
3. Promptly provide answers to questions from BAWSCA staff about the report.

7.03. Appointment of Compliance Auditor

A. **Purpose.** The purpose of this section is to provide for an annual Compliance Audit by an independent certified public accountant of the procedures followed and the underlying data used by San Francisco in calculating the Wholesale Revenue Requirement for the preceding fiscal year. The annual Compliance Audit shall also determine whether the Wholesale Revenue Requirement has been calculated in accordance with the terms of the Agreement and whether amounts paid by the Wholesale Customers in excess of or less than

the Wholesale Revenue Requirement have been posted to the balancing account, together with interest as provided in Section 6.05.

B. **Method of Appointment.** The Controller shall select an independent certified public accountant ("Compliance Auditor") to conduct the Compliance Audit described below. The Compliance Auditor may be the same certified public accountant engaged by the Controller to audit the financial statements of the Water and Hetch Hetchy Enterprises. Subject to approval by the Controller and the General Manager of the SFPUC, the Compliance Auditor shall have the authority to engage such consultants as it deems necessary or appropriate to assist in the audit. The terms of this Article shall be incorporated into the contract between San Francisco and the Compliance Auditor, and the Wholesale Customers shall be deemed to be third-party beneficiaries of said contract.

7.04. Conduct of Compliance Audit

A. **Standards.** The Compliance Auditor shall perform the Compliance Audit in accordance with Generally Accepted Auditing Standards. In particular, its review shall be governed by the standards contained in Section AU 623 (Reports on Specified Elements, Accounts or Items of a Financial Statement) of the AICPA, Professional Standards, as amended from time to time.

B. **Preliminary Meeting; Periodic Status Reports; Access to Data.** Prior to commencing the audit, the Compliance Auditor shall meet with San Francisco and BAWSCA to discuss the audit plan, the procedures to be employed and the schedule to be followed. During the course of the audit, the Compliance Auditor shall keep San Francisco and BAWSCA informed of any unforeseen problems or circumstances which could cause a delay in the audit or any material expansion of the audit's scope. The Compliance Auditor shall be given full access to all records of the SFPUC and the Water and Hetch Hetchy Enterprises that the Auditor deems necessary for the audit.

C. **Audit Procedures.** The Compliance Auditor shall review San Francisco's calculation of the Wholesale Revenue Requirement and the underlying data in order to carry out the purpose of the audit described in Section 7.03.A and to issue the report described in Section 7.05. At a minimum, the Compliance Auditor shall address the following:

1. **Water Enterprise Operating and Maintenance Expenses.** The Compliance Auditor shall review Water Enterprise cost ledgers to determine whether the

recorded operating and maintenance expenses fairly reflect the costs incurred, were recorded on a basis consistent with applicable Generally Accepted Accounting Principles, and were allocated to the Wholesale Customers as provided in this Agreement.

2. Water Enterprise Administrative and General Expenses. The Compliance Auditor shall review Water Enterprise cost ledgers and other appropriate financial records, including those of the SFPUC, to determine whether the recorded administrative and general expenses fairly reflect the costs incurred by or allocated to the Water Enterprise, whether they were recorded on a basis consistent with applicable Generally Accepted Accounting Principles, whether SFPUC charges were allocated to the Water Enterprise in accordance with this Agreement, and whether the amount of administrative and general expenses allocated to the Wholesale Customers was determined as provided by this Agreement.

3. Property Taxes. The Compliance Auditor shall review Water Enterprise cost ledgers to determine whether the amount of property taxes shown on the report fairly reflects the property tax expense incurred by San Francisco for Water Enterprise property outside of San Francisco and whether there has been deducted from the amount to be allocated (1) all taxes actually reimbursed to San Francisco by tenants of Water Enterprise property under leases that require such reimbursement and (2) any refunds received from the taxing authority. The Compliance Auditor also shall determine whether the amount of property taxes allocated to the Wholesale Customers was determined as provided in this Agreement.

4. Debt Service. The Compliance Auditor shall review SFPUC records to determine whether debt service, and associated coverage requirements, were allocated to the Wholesale Customers as provided in this Agreement.

5. Amortization of Existing Assets in Service as of June 30, 2009. The Compliance Auditor shall review both Water and Hetch Hetchy Enterprise records to determine whether the payoff amount for Existing Assets allocated to the Wholesale Customers as shown on Attachment K-1 through K-4 was calculated as provided in Section 5.03 of this Agreement.

6. Revenue-Funded Capital Appropriations/Expenditures. The Compliance Auditor shall review San Francisco's calculation of actual expenditures on the wholesale share of revenue-funded New Regional Assets and remaining unexpended and unencumbered project balances in the "Wholesale Capital Fund" described in Section 6.08, to determine whether the procedures contained in that section were followed.

7. Hetch Hetchy Expenses. The Compliance Auditor shall determine whether Hetch Hetchy Enterprise expenses were allocated to the Wholesale Customers as provided in this Agreement.

D. Use of and Reliance on Audited Financial Statements and Water Use Data

1. In performing the audit, the Compliance Auditor shall incorporate any adjustments to the cost ledgers recommended by the independent certified public accountant, referred to in Section 7.01.I, which audited the financial statements of the Water and Hetch Hetchy Enterprises. The Compliance Auditor may rely upon the work performed by that independent certified public accountant if the Compliance Auditor reviews the work and is willing to take responsibility for it as part of the compliance audit.

2. In performing the Compliance Audit and issuing its report, the Compliance Auditor may rely on water use data furnished by the Water Enterprise, regardless of whether the Wholesale Customers contest the accuracy of such data. The Compliance Auditor shall have no obligation to independently verify the accuracy of the water use data provided by San Francisco; however, the Compliance Auditor shall disclose in its report any information which came to its attention suggesting that the water use data provided by San Francisco are inaccurate in any significant respect.

E. Exit Conference. Upon completion of the audit, the Compliance Auditor shall meet with San Francisco and BAWSCA to discuss audit findings, including (1) any material weakness in internal controls and (2) adjustments proposed by the Compliance Auditor and San Francisco's response (i.e., booked or waived).

7.05. Issuance of Compliance Auditor's Report

A. San Francisco will require the Compliance Auditor to issue its report no later than nine months after the fiscal year under audit (i.e., March 31 of the following calendar year). The Compliance Auditor's report shall be addressed and delivered to San Francisco and BAWSCA. The report shall contain:

1. A statement that the Auditor has audited the report on the calculation of the Wholesale Revenue Requirement and changes in the balancing account, and supporting documents, prepared by San Francisco as required by Section 7.02.

2. A statement that the audit was conducted in accordance with auditing standards generally accepted in the United States of America, and that the audit provides a reasonable basis for its opinion.

3. A statement that in the Compliance Auditor's opinion the Wholesale Revenue Requirement was calculated by San Francisco in accordance with this Agreement and that the change in the balancing account shown in San Francisco's report was calculated as required by this Agreement and presents fairly, in all material respects, changes in and the balance due to (or from) the Wholesale Customers as of the end of the fiscal year under audit.

7.06. Wholesale Customer Review

A. One or more Wholesale Customers, or BAWSCA, may engage an independent certified public accountant (CPA) to conduct a review (at its or their expense) of San Francisco's calculation of the annual Wholesale Revenue Requirement and a review of changes in the balancing account.

B. If a Wholesale Customer or BAWSCA wishes such a review to be conducted it will provide written notice to SFPUC within 30 days of the date the Compliance Auditor's report is issued. The notice will identify the CPA or accounting/auditing firm that will conduct the review and the specific aspects of the Compliance Auditor's report that are the subject of the review. If more than one notice of review is received by the SFPUC, the requesting Wholesale Customers shall combine and coordinate their reviews and select a lead auditor to act on their behalf for the purposes of requesting documents and conducting on-site investigations.

C. San Francisco will cooperate with the CPA appointed by a Wholesale Customer or BAWSCA. This cooperation includes making requested records promptly available, making knowledgeable SFPUC personnel available to timely and truthfully answer the CPA's questions and directing the Compliance Auditor to cooperate with the CPA.

D. The Wholesale Customer's review shall be completed within 60 days after the date the Compliance Auditor's report is issued. At the conclusion of the review, representatives of San Francisco and BAWSCA shall meet to discuss any differences between them concerning San Francisco's compliance with Articles 5 or 6 of this Agreement during the preceding fiscal year or San Francisco's calculation of the Wholesale Revenue Requirement for the preceding fiscal year. If such differences cannot be resolved, the dispute shall be submitted to arbitration in accordance with Section 8.01.

Article 8. Other Agreements of the Parties

8.01. Arbitration and Judicial Review

A. **General Principles re Scope of Arbitration.** All questions or disputes arising under the following subject areas shall be subject to mandatory, binding arbitration and shall not be subject to judicial determination:

1. the determination of the Wholesale Revenue Requirement, which shall include both the calculations used in the determination and the variables used in those calculations;

2. the SFPUC's adherence to accounting practices and conduct of the Compliance Audit; and

3. the SFPUC's classification of new or omitted assets for purposes of determining the Wholesale Revenue Requirement.

All other questions or disputes arising under this Agreement shall be subject to judicial determination. Disputes about the scope of arbitrability shall be resolved by the courts.

B. **Demand for Arbitration.** If any arbitrable question or dispute should arise, any Wholesale Customer or the SFPUC may commence arbitration proceedings hereunder by service of a written Demand for Arbitration. Demands for arbitration shall set forth all of the issues to be arbitrated, the general contentions relating to those issues, and the relief sought by the party serving the Demand. Within 45 days after service of a Demand upon it, any Wholesale Customer or the SFPUC may serve a Notice of Election to become a party to the arbitration and a Response to the issues set forth in the Demand. The Response shall include the party's general contentions and defenses with respect to the claims made in the Demand, and may include any otherwise arbitrable claims, contentions and demands that concern the fiscal year covered by the Demand. If a timely Notice of Election and Response is not filed by any such entity, it shall not be a party to the arbitration but shall nonetheless be bound by the award of the arbitrator. If no party to this Agreement serves a timely Notice of Election and Response, the party seeking arbitration shall be entitled to the relief sought in its Demand for Arbitration without the necessity of further proceedings. Any claims not made in a Demand or Response shall be deemed waived.

If a Demand or Notice of Election is made by the SFPUC, it shall be served by personal delivery or certified mail to each Wholesale Customer at the address of such customer as set forth in the billing records of the SFPUC. If a Demand or Notice of Election is made by a Wholesale Customer, service shall be by certified mail or personal delivery to the General Manager, SFPUC, 525 Golden Gate Avenue, 13th Floor, San Francisco, California 94102, and to each of the other Wholesale Customers. If arbitration is commenced, the Wholesale Customers shall use their best efforts to formulate a single, joint position with respect thereto. In any event, with respect to the appointment of arbitrators, as hereinafter provided, all Wholesale Customers that take the same position as to the issues to be arbitrated shall jointly and collectively be deemed to be a single party.

C. **Limitations Period.** All Demands For Arbitration shall be served within twelve months of receipt by BAWSCA of the Wholesale Revenue Requirement Compliance Auditor's Report for that year. If a party fails to file a Demand within the time period specified in this subsection, that party waives all present and future claims with respect to the fiscal year in question. If no such Demand is served within the twelve month period specified above, the SFPUC's determination of the Wholesale Revenue Requirement for that year shall be final and conclusive. Whether any particular claim is barred by the twelve month limitations period provided for herein shall be for the arbitrator to determine. Prior to the expiration of the twelve month limitations period, the parties to the dispute may agree by written stipulation to extend the period by up to six additional months.

The Arbitrator may order the alteration or recalculation of underlying Water Enterprise and/or Hetch Hetchy Enterprise accounts or asset classifications. Such changes shall be used to calculate the Wholesale Revenue Requirement for the fiscal year in dispute and shall also be used to determine future Wholesale Revenue Requirements, if otherwise applicable, even though the existing entries in such accounts or the asset classifications, in whole or in part, predate the twelve month period described above, so long as a timely arbitration Demand has been filed in accordance with this subsection.

D. **Number and Appointment of Arbitrators.** All arbitration proceedings under this section shall be conducted by a single arbitrator, selected by the SFPUC and a designated representative of the Wholesale Customers or each group of Wholesale Customers that take the same position with respect to the arbitration, within 75 days after service of the Demand. If the parties to the arbitration cannot agree on an arbitrator within 75 days, any party may petition

the Marin County Superior Court for the appointment of an arbitrator pursuant to Code of Civil Procedure Section 1281.6 (or any successor provision).

E. **Guidelines for Qualifications of Arbitrators.** The Wholesale Customers and the SFPUC acknowledge that the qualifications of the arbitrator will vary with the nature of the matter arbitrated, but, in general, agree that such qualifications may include service as a judge or expertise in one or more of the following fields: public utility law, water utility rate setting, water system and hydraulic engineering, utility accounting methods and practices, and water system operation and management. The parties to the arbitration shall use their best efforts to agree in advance upon the qualifications of any arbitrator to be appointed by the Superior Court.

F. **Powers of Arbitrator; Conduct of Proceedings**

1. Except as provided in this section, arbitrations under this section shall be conducted under and be governed by the provisions of California Code of Civil Procedure Sections 1282.2 through 1284.2 (hereinafter, collectively, “Code sections”), and arbitrators appointed hereunder shall have the powers and duties specified by the Code sections.

2. Within the meaning of the Code sections, the term “neutral arbitrator” shall mean the single arbitrator selected by the parties to the arbitration.

3. Unless waived in writing by the parties to the arbitration, the notice of hearing served by the arbitrator shall not be less than 90 days.

4. The lists of witnesses (including expert witnesses), and the lists of documents (including the reports of expert witnesses) referred to in Code of Civil Procedure Section 1282.2 shall be mutually exchanged, without necessity of demand therefore, no later than 60 days prior to the date of the hearing, unless otherwise agreed in writing by the parties to the arbitration. Upon application of any party, or on his or her own motion, the arbitrator may schedule one or more prehearing conferences for the purposes of narrowing and/or expediting resolution of the issues in dispute. Strict conformity to the rules of evidence is not required, except that the arbitrator shall apply applicable law relating to privileges and work product. The arbitrator shall consider evidence that he or she finds relevant and material to the dispute, giving the evidence such weight as is appropriate. The arbitrator may limit testimony to exclude evidence that would be immaterial or unduly repetitive, provided that all parties are afforded the opportunity to present material and relevant evidence.

5. Within thirty days after the close of the arbitration hearing, or such other time as the arbitrator shall determine, the parties will submit proposed findings and a proposed remedy to the arbitrator. The parties may file objections to their adversary's proposed findings and remedy within a time limit to be specified by the arbitrator. The arbitrator shall not base his or her award on information not obtained at the hearing.

6. The arbitrator shall render a written award no later than twelve months after the arbitrator is appointed, either by the parties or by the court, provided that such time may be waived or extended as provided in Code of Civil Procedure Section 1283.8.

7. The provisions for discovery set forth in Code of Civil Procedure Section 1283.05 are incorporated into and made part of this Agreement, except that: (a) leave of the arbitrator need not be obtained for the taking of depositions, including the depositions of expert witnesses; (b) the provisions of Code of Civil Procedure Section 2034.010 et seq., relating to discovery of expert witnesses, shall automatically be applicable to arbitration proceedings arising under this Agreement without the necessity for a formal demand pursuant to Section 2034.210 and the date for the exchange of expert discovery provided by Sections 2034.260 and 2034.270 shall be not later than 60 days prior to the date for the hearing; and (c) all reports, documents, and other materials prepared or reviewed by any expert designated to testify at the arbitration shall be discoverable. In appropriate circumstances, the arbitrator may order any party to this Agreement that is not a party to the arbitration to comply with any discovery request.

8. For the purposes of allocation of expenses and fees, as provided in Code of Civil Procedure Section 1284.2, if any two or more Wholesale Customers join together in a single, joint position in the arbitration, those Wholesale Customers shall be deemed to be a single party. If any Wholesale Customer or customers join together with the SFPUC in a single joint position in the arbitration, those Wholesale Customers and the SFPUC together shall be deemed to be a single party.

9. Subject to any other limitations imposed by the Agreement, the arbitrator shall have power to issue orders mandating compliance with the terms of the Agreement or enjoining violations of the Agreement. With respect to any arbitration brought to redress a claimed wholesale overpayment to the SFPUC, the arbitrator's power to award monetary relief shall be limited to entering an order requiring that an adjustment be made in the amount posted to the balancing account for the fiscal year covered by the Demand.

10. All awards of the arbitrator shall be binding on the SFPUC and the Wholesale Customers regardless of the participation or lack thereof by any Wholesale Customer or the SFPUC as a party to the arbitration proceeding. The parties to an arbitration shall have the power to modify or amend any arbitration award by mutual consent. The arbitrator shall apply California law.

8.02. Attorneys' Fees

A. **Arbitration or Litigation Between San Francisco and Wholesale Customers Arising under the Agreement or Individual Water Sales Contracts.** Each party will bear its own costs, including attorneys' fees, incurred in any arbitration or litigation arising under this Agreement or the Individual Water Sales Contracts between San Francisco and the Wholesale Customers. Notwithstanding the foregoing, and subject to the limitations contained herein, the SFPUC may allocate to the Wholesale Customers as an allowable expense, utilizing the composite rate used for allocating other Water Enterprise administrative and general expenses, any attorneys' fees and costs incurred by the SFPUC in connection with arbitration and/or litigation arising under this Agreement and/or the Individual Water Sales Contracts. Attorneys' fees incurred by the SFPUC for attorneys employed in the San Francisco City Attorney's office shall be billed at the hourly rates charged for the attorneys in question by the San Francisco City Attorney's Office to the SFPUC. Attorneys' fees incurred by the SFPUC for attorneys other than those employed in the San Francisco City Attorney's Office shall be limited to the hourly rates charged to the SFPUC for attorneys and paralegals with comparable experience employed in the San Francisco City Attorney's office and in no event shall exceed the highest hourly rate charged by any attorney or paralegal employed in the City Attorney's Office to the SFPUC.

B. **Arbitration or Litigation Outside of Agreement Concerning the SFPUC Water System or Reserved Issues**

1. The attorneys' fees and costs incurred by the SFPUC in litigation between San Francisco and one or more of the Wholesale Customers arising from matters outside of the Agreement, including, without limitation, litigation and/or arbitration concerning the issues specifically reserved in the Agreement, shall be allocated between the Retail Customers and the Wholesale Customers utilizing the composite rate used for allocating other Water Enterprise administrative and general expenses.

2. If, in any litigation described in subsection B.1 above, attorneys' fees and costs are awarded to one or more of the Wholesale Customers as prevailing parties, the

SFPUC's payment of the Wholesale Customers' attorneys' fees and costs shall not be an allowable expense pursuant to subsection A.

3. If, in any litigation described in subsection B.1, the SFPUC obtains an award of attorneys' fees and costs as a prevailing party against one or more of the Wholesale Customers, any such award shall be reduced to offset the amount of the SFPUC's fees and costs, if any, that have already been paid by the Wholesale Customers in the current or any prior fiscal years pursuant to subsection B.1 and the provisions of Articles 5 and 6 of the Agreement.

4. Nothing contained in this Agreement, including this subsection, shall authorize a court to award attorneys' fees and costs to a prevailing party as a matter of contract and/or the provisions of Civil Code Section 1717, in litigation between San Francisco and one or more of the Wholesale Customers arising from matters outside of the Agreement, including, without limitation, litigation and/or arbitration concerning the issues specifically reserved in the Agreement.

C. **Attorneys Fees and Costs Incurred by the SFPUC in Connection with the Operation and Maintenance of the SFPUC Water Supply System.** All attorneys' fees and costs incurred by the SFPUC in connection with the operation and maintenance of the SFPUC's water supply system shall be allocated between Retail Customers and the Wholesale Customers utilizing the composite rate used for allocating other Water Enterprise administrative and general expenses.

8.03. Annual Meeting and Report

A. The parties wish to ensure that the Wholesale Customers may, in an orderly way, be informed of matters affecting the Regional Water System, including matters affecting the continuity and adequacy of their water supply from San Francisco.

For this purpose, the General Manager of the SFPUC shall meet annually with the Wholesale Customers and BAWSCA during the month of February, commencing February 2010. At these annual meetings, the SFPUC shall provide the Wholesale Customers a report on the following topics:

1. Capital additions under construction or being planned for the Regional Water System, including the status of planning studies, financing plans, environmental reviews, permit applications, etc.;

2. Water use trends and projections for Retail Customers and Wholesale Customers;
3. Water supply conditions and projections;
4. The status of any administrative proceedings or litigation affecting San Francisco's water rights or the SFPUC's ability to deliver water from the watersheds which currently supply the Regional Water System;
5. Existing or anticipated problems with the maintenance and repair of the Regional Water System or with water quality;
6. Projections of Wholesale Revenue Requirements for the next five years;
7. Any other topic which the SFPUC General Manager places on the agenda for the meeting;
8. Any topic which the Wholesale Customers, through BAWSCA, request be placed on the agenda, provided that the SFPUC is notified of the request at least 10 days before the meeting.

B. The General Manager of the SFPUC, the Assistant General Manager of the Water Enterprise, and the Assistant General Manager of Business Services-CFO will use their best efforts to attend the annual meetings. If one or more of these officers are unable to attend, they will designate an appropriately informed assistant to attend in their place.

8.04. 8.04 Administrative Matters Delegated to BAWSCA

A. The Wholesale Customers hereby delegate the authority and responsibility for performing the following administrative functions contemplated in this Agreement to BAWSCA:

1. Approval of calculations of Proportional Annual Water Use required by Section 3.14 and Attachment J, "Water Use Measurement and Tabulation";
2. Approval of amendments to Attachments J and K-3 and K-4, "25-Year Payoff Schedules for Existing Rate Base";
3. Agreement that the Water Meter and Calibration Procedures Manual to be prepared by the SFPUC may supersede some or all of the requirements in Attachment J, as described in Section 3.14;

4. Conduct of Wholesale Customer review of SFPUC's calculation of annual Wholesale Revenue Requirement/Change in Balancing Account described in Section 7.06;

5. Approval of an adjustment to Wholesale Revenue Coverage as described in Section 6.06.

B. A majority of the Wholesale Customers may, without amending this Agreement, delegate additional administrative functions to BAWSCA. To be effective, such expanded delegation must be evidenced by resolutions adopted by the governing bodies of a majority of the Wholesale Customers. In 2014, all twenty-six Wholesale Customers adopted resolutions delegating authority to BAWSCA to initiate, defend and settle arbitration for the matters that, pursuant to Section 8.01 of this Agreement, are subject to mandatory, binding arbitration.

C. Unless otherwise explicitly stated, the administrative authority delegated to BAWSCA may be exercised by the General Manager/CEO of BAWSCA, rather than requiring action by the BAWSCA Board of Directors. In addition, the Wholesale Customers may, with the consent of BAWSCA, delegate to BAWSCA the initiation, defense, and settlement of arbitration proceedings provided for in Section 8.01.

8.05. Preservation of Water Rights; Notice of Water Rights Proceedings

A. It is the intention of San Francisco to preserve all of its water rights, irrespective of whether the water held under such water rights is allocated under this Agreement. Nothing in this Agreement shall be construed as an abandonment, or evidence of an intent to abandon, any of the water rights that San Francisco presently possesses.

B. San Francisco shall use its best efforts to give prompt notice to BAWSCA of any litigation or administrative proceedings to which San Francisco is a party involving water rights to the Regional Water System. The failure of San Francisco to provide notice as required by this section, for whatever reason, shall not give rise to any monetary liability.

8.06. SFPUC Rules and Regulations

The sale and delivery of all water under this Agreement shall be subject to such of the "Rules and Regulations Governing Water Service to Customers" of the Water Enterprise adopted by the Commission, as those rules and regulations may be amended from time to time, as are (1) applicable to the sale and delivery of water to the Wholesale Customers, (2) reasonable, and (3) not inconsistent with either this Agreement or with an Individual Water

Sales Contract. The SFPUC will give the Wholesale Customers notice of any proposal to amend the Rules and Regulations in a manner that would affect the Wholesale Customers. The notice will be delivered at least thirty days in advance of the date on which the proposal is to be considered by the Commission and will be accompanied by the text of the proposed amendment.

8.07. Reservations of, and Limitations on, Claims

A. **General Reservation of Raker Act Contentions.** The 1984 Agreement resolved a civil action brought against San Francisco by certain of the Wholesale Customers. Plaintiffs in that action contended that they, and other Wholesale Customers that are municipalities or special districts, were “co-grantees” within the meaning of Section 8 of the Act and were entitled to certain rights, benefits and privileges by virtue of that status. San Francisco disputed those claims.

Nothing in this Agreement, or in the Individual Water Sales Contracts, shall be construed or interpreted in any way to affect the ultimate resolution of the controversy between the parties concerning whether any of the Wholesale Customers are “co-grantees” under the Act and, if so, what rights, benefits and privileges accrue to them by reason of that claimed status.

B. **Claims Reserved but not Assertable During Term or Portions Thereof.** The following claims, which San Francisco disputes, are reserved but may not be asserted during the Term (or portions thereof, as indicated):

1. The Wholesale Customers’ claim that the Act entitles them to water at cost.
2. The Wholesale Customers’ claim that San Francisco is obligated under the Act or state law to supply them with additional water in excess of the Supply Assurance. This claim may not be asserted unless and until San Francisco decides not to meet projected water demands of Wholesale Customers in excess of the Supply Assurance pursuant to Section 4.06.
3. The claim by San Jose and Santa Clara that they are entitled under the Act, or any other federal or state law, to permanent, non-interruptible status and to be charged rates identical to those charged other Wholesale Customers. This claim may not be asserted unless and until San Francisco notifies San Jose or Santa Clara that it intends to interrupt or terminate water deliveries pursuant to Section 4.05.

4. The Wholesale Customers' claim that the SFPUC is not entitled to impose a surcharge for lost power generation revenues attributable to furnishing water in excess of the Supply Assurance. This claim may not be asserted unless and until SFPUC furnishes water in excess of the Supply Assurance during the Term and also includes such a surcharge in the price of such water.

5. Claims by Wholesale Customers (other than San Jose and Santa Clara, whose service areas are fixed) that SFPUC is obligated under the Act or state law to furnish water, within their Individual Supply Guarantee, for delivery to customers outside their existing service area and that Wholesale Customers are entitled to enlarge their service areas to supply those customers. Such claims may be asserted only after compliance with the procedure set forth in Section 3.03, followed by SFPUC's denial of, or failure for six months to act on, a written request by a Wholesale Customer to expand its service area.

C. **Waived Activities.** The Wholesale Customers (and the SFPUC, where specified) will refrain from the following activities during the Term (or portions thereof, as specified):

1. The Wholesale Customers and the SFPUC will not contend before any court, administrative agency or legislative body or committee that the methodology for determining the Wholesale Revenue Requirement (or the requirements for (a) amortization of the ending balance under the 1984 Agreement, or (b) contribution to the Wholesale Revenue Coverage) determined in accordance with this Agreement violates the Act or any other provision of federal law, state law, or San Francisco's City Charter, or is unfair, unreasonable or unlawful.

2. The Wholesale Customers will not challenge the transfer of funds by the SFPUC to any other San Francisco City department or fund, provided such transfer complies with the San Francisco City Charter. The transfer of its funds, whether or not permitted by the City Charter, will not excuse the SFPUC from its failure to perform any obligation imposed by this Agreement.

3. The Wholesale Customers and the SFPUC will not assert monetary claims against one another based on the 1984 Agreement other than otherwise arbitrable claims arising from the three fiscal years immediately preceding the start of the Term (i.e., FYs 2006-07, 2007-08 and 2008-09). Such claims, if any, shall be governed by the dispute resolution provisions of this Agreement, except that the time within which arbitration must be commenced shall be 18 months from delivery of the Compliance Auditor's report.

D. **Other**

1. This Agreement shall determine the respective monetary rights and obligations of the parties with respect to water sold by the SFPUC to the Wholesale Customers during the Term. Such rights and obligations shall not be affected by any judgments or orders issued by any court in litigation, whether or not between parties hereto, and whether or not related to the controversy over co-grantee status, except for arbitration and/or litigation expressly permitted in this Agreement. No judicial or other resolution of issues reserved by this section will affect the Wholesale Revenue Requirement which, during the Term, will be determined exclusively as provided in Articles 5, 6 and 7 of this Agreement.

2. Because delays in the budget process or other events may cause the SFPUC to defer the effective date of changes in wholesale rates until after the beginning of the fiscal year, this Agreement does not require the SFPUC to make changes in wholesale rates effective at the start of the fiscal year or at any other specific date.

3. The Wholesale Customers do not, by executing this Agreement, concede the legality of the SFPUC's establishing Interim Supply Allocations, as provided in Article 4 or imposing Environmental Enhancement Surcharges on water use in excess of such allocations. Any Wholesale Customer may challenge such allocation when imposed and/or such surcharges if and when levied, in any court of competent jurisdiction.

4. The furnishing of water in excess of the Supply Assurance by San Francisco to the Wholesale Customers shall not be deemed or construed to be a waiver by San Francisco of its claim that it has no obligation under any provision of law to supply such water to the Wholesale Customers, nor shall it constitute a dedication by San Francisco to the Wholesale Customers of such water.

8.08. Prohibition of Assignment

A. This Agreement shall be binding on, and shall inure to the benefit of, the parties and their respective successors and permitted assigns. Each Wholesale Customer agrees that it will not transfer or assign any rights or privileges under this Agreement, either in whole or in part, or make any transfer of all or any part of its water system or allow the use thereof in any manner whereby any provision of this Agreement will not continue to be binding on it, its assignee or transferee, or such user of the system. Any assignment or transfer in violation of this covenant, and any assignment or transfer that would result in the supply of water in violation of the Act, shall be void.

B. Nothing in this section shall prevent any Wholesale Customer (except the California Water Service Company and Stanford) from entering into a joint powers agreement or a municipal or multi-party water district with any other Wholesale Customer (except the two listed above) to exercise the rights and obligations granted to and imposed upon the Wholesale Customers hereunder, nor shall this section prevent any Wholesale Customer (except the two listed above) from succeeding to the rights and obligations of another Wholesale Customer hereunder as long as the Wholesale Service Area served by the Wholesale Customers involved in the succession is not thereby enlarged.

8.09. Notices

A. All notices and other documents that San Francisco is required or permitted to send to the Wholesale Customers under this Agreement shall be sent to each and all of the Wholesale Customers by United States mail, first class postage prepaid, addressed to each Wholesale Customer at the address to which monthly water bills are mailed by the Water Enterprise.

B. All notices or other documents which the Wholesale Customers are required or permitted to send to San Francisco under this Agreement shall be sent by United States mail, first class postage prepaid, addressed as follows:

General Manager
San Francisco Public Utilities Commission
525 Golden Gate Avenue, 13th Floor
San Francisco, CA 94123

C. Each Wholesale Customer is a member of BAWSCA. San Francisco shall send a copy of each notice or other document which it is required to send to all Wholesale Customers to BAWSCA addressed as follows:

General Manager/CEO
Bay Area Water Supply and Conservation Agency
155 Bovet Road, Suite 650
San Mateo, CA 94402

The failure of San Francisco to send a copy of such notices or documents to BAWSCA shall not invalidate any rate set or other action taken by San Francisco.

D. Any party (or BAWSCA) may change the address to which notice is to be sent to it under this Agreement by notice to San Francisco (in the case of a change desired by a Wholesale Customer or BAWSCA) and to the Wholesale Customer and BAWSCA (in the case of a change desired by San Francisco).

The requirements for notice set forth in Section 8.01 concerning arbitration shall prevail over this section, when they are applicable.

8.10. Incorporation of Attachments

Attachments A through R, referred to herein, are incorporated in and made a part of this Agreement.

8.11. Interpretation

In interpreting this Agreement, or any provision thereof, it shall be deemed to have been drafted by all signatories, and no presumption pursuant to Civil Code Section 1654 may be invoked to determine the Agreement's meaning. The marginal headings and titles to the sections and paragraphs of this Agreement are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part hereof.

8.12. Actions and Approvals by San Francisco

Whenever action or approval by San Francisco is required or contemplated by this Agreement, authority to act or approve shall be exercised by the Commission, except if such action is required by law to be taken, or approval required to be given, by the San Francisco Board of Supervisors. The Commission may delegate authority to the General Manager in accordance with the San Francisco City Charter and Administrative Code, except for actions that this Agreement requires to be taken by the Commission.

8.13. Counterparts

Execution of this Agreement may be accomplished by execution of separate counterparts by each signatory. San Francisco shall deliver its executed counterpart to BAWSCA and the counterpart which each Wholesale Customer executes shall be delivered to San Francisco. The separate executed counterparts, taken together, shall constitute a single agreement.

8.14. Limitations on Damages

A. Unless otherwise prohibited by this Agreement, general or direct damages may be recovered for a breach of a party's obligations under this Agreement. No party is liable for, or may recover from any other party, special, indirect or consequential damages or incidental damages, including, but not limited to, lost profits or revenue. No damages may be awarded for a breach of Section 8.17.

B. The limitations in subsection A apply only to claims for damages for an alleged breach of this Agreement. These limitations do not apply to claims for damages for an alleged breach of a legal duty that arises independently of this Agreement, established by constitution or statute.

C. If damages would be an inadequate remedy for a breach of this Agreement, equitable relief may be awarded by a court in a case in which it is otherwise proper.

D. This section does not apply to any claim of breach for which arbitration is the exclusive remedy pursuant to Section 8.01.A.

8.15. Force Majeure

A. **Excuse from Performance.** No party shall be liable in damages to any other party for delay in performance of, or failure to perform, its obligations under this Agreement, including the obligations set forth in Sections 3.09 and 4.06, if such delay or failure is caused by a "Force Majeure Event."

B. **Notice.** The party claiming excuse shall deliver to the other parties a written notice of intent to claim excuse from performance under this Agreement by reason of a Force Majeure Event. Notice required by this section shall be given promptly in light of the circumstances, and, in the case of events described in (c), (d) or (e) of the definition of Force Majeure Event only, not later than ten (10) days after the occurrence of the Force Majeure Event. Such notice shall describe the Force Majeure Event, the services impacted by the claimed event, the length of time that the party expects to be prevented from performing, and the steps which the party intends to take to restore its ability to perform.

C. **Obligation to Restore Ability to Perform.** Any suspension of performance by a party pursuant to this section shall be only to the extent, and for a period of no longer duration

than, required by the nature of the Force Majeure Event, and the party claiming excuse shall use its best efforts to remedy its inability to perform as quickly as possible.

8.16. No Third-Party Beneficiaries

This Agreement is exclusively for the benefit of the parties and not for the benefit of any other Person. There are no third-party beneficiaries of this Agreement and no person not a party shall have any rights under or interests in this Agreement.

No party may assert a claim for damages on behalf of a person other than itself, including a person that is not a party.

8.17. Good Faith and Fair Dealing

San Francisco and the Wholesale Customers each acknowledge their obligation under California law to act in good faith toward, and deal fairly with, each other with respect to this Agreement.

Article 9. Implementation and Special Provisions Affecting Certain Wholesale Customers

9.01. 9.01 General; Individual Water Sales Contracts

A. As described in Section 1.03, San Francisco previously entered into Individual Water Sales Contracts with each of the Wholesale Customers. The term of the majority of Individual Water Sales Contracts will expire on June 30, 2009, concurrently with the expiration of the 1984 Agreement. Except as provided below in this Article, each of the Wholesale Customers will execute a new Individual Water Sales Contract with San Francisco concurrently with its approval of the Agreement.

B. The Individual Water Sales Contracts will describe the service area of each Wholesale Customer, identify the location and size of connections between the Regional Water System and the Wholesale Customer's distribution system, provide for periodic rendering and payment of bills for water usage, and in some instances contain additional specialized provisions unique to the particular Wholesale Customer and not of general concern or applicability. A sample Individual Water Sales Contract is provided at Attachment F. The Individual Water Sales Contracts between San Francisco and the Wholesale Customers will not contain any provision inconsistent with Articles 1 through 8 of this Agreement except (1) as provided below in this Article or (2) to the extent that such provisions are not in derogation of the Fundamental Rights of other Wholesale Customers under this Agreement. Any provisions in an Individual Water Sales Contract which are in violation of this section shall be void.

9.02. California Water Service Company

A. The parties recognize that the California Water Service Company is an investor-owned utility company and, as such, has no claim to co-grantee status under the Act, which specifically bars private parties from receiving for resale any water produced by the Hetch Hetchy portion of the Regional Water System. Accordingly, the following provisions shall apply to the California Water Service Company, notwithstanding anything to the contrary elsewhere in this Agreement.

B. The total quantity of water delivered by San Francisco to the California Water Service Company shall not in any calendar year exceed 47,400 acre feet, which is the estimated average annual production of Local System Water. If San Francisco develops additional Local System Water after the Effective Date, it may (1) increase the maximum

delivery amount stated herein; and (2) increase the Supply Assurance, but not necessarily both. San Francisco has no obligation to deliver water to California Water Service Company in excess of the maximum stated herein, except as such maximum may be increased by San Francisco pursuant to this subsection. The maximum annual quantity of Local System Water set forth in this subsection is intended to be a limitation on the total quantity of water that may be allocated to California Water Service Company, and is not an Individual Supply Guarantee for purposes of Section 3.02. The maximum quantity of Local System Water set forth in this subsection is subject to reduction in response to (1) changes in long-term hydrology or (2) environmental water requirements that may be imposed by or negotiated with state and federal resource agencies in order to comply with state or federal law or to secure applicable permits for construction of Regional Water System facilities. San Francisco shall notify California Water Service Company of any anticipated reduction of the quantity of Local System Water set forth in this subsection, along with an explanation of the basis for the reduction.

C. Notwithstanding anything in Section 8.08 to the contrary, California Water Service Company shall have the right to assign to a public agency having the power of eminent domain all or a portion of the rights of California Water Service Company under any contract between it and San Francisco applicable to any individual district of California Water Service Company in connection with the acquisition by such public agency of all or a portion of the water system of California Water Service Company in such district. In the event of any such assignment of all the rights, privileges and obligations of California Water Service Company under such contract, California Water Service Company shall be relieved of all further obligations under such contract provided that the assignee public agency expressly assumes the obligations of California Water Service Company thereunder. In the event of such an assignment of a portion of the rights, privileges and obligations of California Water Service Company under such contract, California Water Service Company shall be relieved of such portion of such obligations so assigned thereunder provided that the assignee public agency shall expressly assume such obligations so assigned to it.

D. Should California Water Service Company seek to take over or otherwise acquire, in whole or in part, the service obligations of another Wholesale Customer under Section 3.03.E, it will so inform San Francisco at least six months prior to the effective date of the sale and provide information concerning the total additional demand proposed to be served, in order that San Francisco may compare the proposed additional demand to the then-current estimate of Local System Water. In this regard, California Water Service Company has notified

the SFPUC that it has reached an agreement to acquire the assets of Skyline County Water District ("Skyline") and assume the responsibility for providing water service to customers in the Skyline service area. California Water Service Company has advised the SFPUC that, on September 18, 2008, the California Public Utilities Commission approved California Water Service Company's acquisition of Skyline. The SFPUC anticipates approving the transfer of Skyline's Supply Guarantee as shown on Attachment C to California Water Service Company and the expansion of California Water Service Company's service area to include the current Skyline service area before the Effective Date of this Agreement. All parties to this Agreement authorize corresponding modifications of Attachment C, as well as any of the Agreement's other provisions, to reflect the foregoing transaction without the necessity of amending this Agreement.

E. Nothing in this Agreement shall preclude San Francisco from selling water to any county, city, town, district, political subdivision, or other public agency for resale to customers within the service area of the California Water Service Company. Nothing in this Agreement shall require or contemplate any delivery of water to California Water Service Company in violation of the Act.

F. Nothing in this Agreement shall alter, amend or modify the Findings of Fact and Conclusions of Law and the Judgment dated May 25, 1961, in that certain action entitled City and County of San Francisco v. California Water Service Company in the Superior Court of the State of California in and for the County of Marin, No. 23286, as modified by the Quitclaim Deed from California Water Service Company to San Francisco dated August 22, 1961. The rights and obligations of San Francisco and California Water Service Company under these documents shall continue as therein set forth.

9.03. City of Hayward

A. San Francisco and the City of Hayward ("Hayward") entered into a water supply contract on February 9, 1962 ("the 1962 contract") which provides, inter alia, that San Francisco will supply Hayward with all water supplemental to sources and supplies of water owned or controlled by Hayward as of that date, in sufficient quantity to supply the total water needs of the service area described on an exhibit to the 1962 contract "on a permanent basis." The service area map attached as Exhibit C to the 1962 contract was amended in 1974 to remove an area of land in the Hayward hills and in 2008 to make minor boundary adjustments identified in SFPUC Resolution No. 08-0035.

B. The intention of the parties is to continue the 1962 contract, as amended, in effect as the Individual Water Sales Contract between San Francisco and Hayward. Accordingly, it shall not be necessary for San Francisco and Hayward to enter into a new Individual Water Sales Contract pursuant to this Article and approval of this Agreement by Hayward shall constitute approval of both this Agreement and an Individual Water Sales Contract for purposes of Section 1.03. The 1962 contract, as amended, will continue to describe the service area of Hayward, while rates for water delivered to Hayward during the Term shall be governed by Article 5 hereof. The 1962 contract, as amended, will continue in force after the expiration of the Term.

9.04. Estero Municipal Improvement District

A. San Francisco and the Estero Municipal Improvement District ("Estero") entered into a water supply contract on August 24, 1961, the term of which continues until August 24, 2011 ("the 1961 Contract"). The 1961 Contract provides, inter alia, that San Francisco will supply Estero with all water supplemental to sources and supplies of water owned or controlled by Estero as of that date, in sufficient quantity to supply the total water needs of the service area described on an exhibit to the 1961 Contract.

B. The intention of the parties is to terminate the 1961 Contract and replace it with a new Individual Water Sales Contract which will become effective on July 1, 2009. The new Individual Water Sales Contract will describe the current service area of Estero. The Individual Supply Guarantee applicable to Estero shall be 5.9 MGD, rather than being determined as provided in the 1961 Contract.

9.05. Stanford University

A. The parties recognize that The Board of Trustees of The Leland Stanford Junior University ("Stanford") operates a non-profit university, and purchases water from San Francisco for redistribution to the academic and related facilities and activities of the university and to residents of Stanford, the majority of whom are either employed by or students of Stanford. Stanford agrees that all water furnished by San Francisco shall be used by Stanford only for domestic purposes and those directly connected with the academic and related facilities and activities of Stanford, and no water furnished by San Francisco shall be used in any area now or hereafter leased or otherwise used for industrial purposes or for commercial purposes

other than those campus support facilities that provide direct services to Stanford faculty, students or staff such as the U.S. Post Office, the bookstore and Student Union.

Nothing in this Agreement shall preclude San Francisco from selling water to any county, city, town, political subdivision or other public agency for resale to Stanford or to customers within the service area of Stanford.

B. Notwithstanding anything in Section 8.08 to the contrary, Stanford shall have the right to assign to a public agency having the power of eminent domain all or a portion of the rights of Stanford under this Agreement or the Individual Water Sales Contract between it and San Francisco in connection with the acquisition by such public agency of all or a portion of Stanford's water system. In the event of any such assignment of all the rights, privileges, and obligations of Stanford under such contract, Stanford shall be relieved of all further obligations under such contract, provided that the assignee public agency expressly assumes Stanford's obligations thereunder. In the event of such an assignment of a portion of the rights, privileges, and obligations of Stanford under such contract, Stanford shall be relieved of such obligations so assigned thereunder, provided that the assignee public agency shall expressly assume such obligations so assigned to it.

Nothing in this Agreement shall require or contemplate any delivery of water to Stanford in violation of the Act.

9.06. City of San Jose and City of Santa Clara

A. **Continued Supply on Temporary, Interruptible Basis.** During the term of the 1984 Agreement, San Francisco provided water to the City of San Jose ("San Jose") and the City of Santa Clara ("Santa Clara") on a temporary, interruptible basis pursuant to SFPUC Resolution No. 85-0256. Subject to termination or reduction of supply as provided in Section 4.05 of this Agreement, San Francisco will continue to supply water to San Jose and Santa Clara on a temporary, interruptible basis pending a decision by the Commission, pursuant to Section 4.05.H, as to whether to make San Jose and Santa Clara permanent customers of the Regional Water System. San Francisco will furnish water to San Jose and Santa Clara at the same rates as those applicable to other Wholesale Customers pursuant to this Agreement. Water delivered to San Jose and Santa Clara after July 1, 2009 may be limited by the SFPUC's ability to meet the full needs of all its other Retail and Wholesale Customers. The service areas of San Jose and Santa Clara set forth in their Individual Water Sales Contracts may not be

expanded using the procedure set forth in Section 3.03. The combined annual average water usage of San Jose and Santa Clara shall not exceed 9 MGD. The allocation of that total amount between San Jose and Santa Clara shall be as set forth in their Individual Water Sales Contracts.

B. **Reservation of Rights**. In signing this Agreement, neither San Jose nor Santa Clara waives any of its rights to contend, in the event that San Francisco (1) elects to terminate or interrupt water deliveries to either or both of the two cities prior to 2028 using the process set forth in Section 4.05, or (2) does not elect to take either city on as a permanent customer in 2028, that it is entitled to permanent customer status, pursuant to the Act or any other federal or state law. Santa Clara's reservation of rights is limited to its existing Service Area A, as shown on Attachment Q-2. Service Area B, south of Highway 101, was added in 2018 solely for the operational convenience of Santa Clara. Santa Clara waives its right to make claims described in this Section 9.06.B and Section 8.07.B.3 with respect to Service Area B. In signing this Agreement, San Francisco does not waive its right to deny any or all such contentions.

9.07. City of Brisbane, Guadalupe Valley Municipal Improvement District, Town of Hillsborough

A. The parties acknowledge that San Francisco has heretofore provided certain quantities of water to the City of Brisbane ("Brisbane"), Guadalupe Valley Municipal Improvement District ("Guadalupe") and the Town of Hillsborough ("Hillsborough") at specified rates or without charge pursuant to obligations arising out of agreements between the predecessors of San Francisco and these parties, which agreements are referred to in judicial orders, resolutions of the SFPUC and/or the 1960 contracts between San Francisco and Brisbane, Guadalupe and Hillsborough. The parties intend to continue those arrangements and accordingly agree as follows:

1. Nothing in this Agreement is intended to alter, amend or modify the terms of SFPUC Resolution No. 74-0653 or the indenture of July 18, 1908 between the Guadalupe Development Company and the Spring Valley Water Company.

2. Nothing in this Agreement is intended to alter, amend or modify the Findings of Fact and Conclusions of Law and Judgment dated May 25, 1961 in that certain action entitled City and County of San Francisco v. Town of Hillsborough in the Superior Court of the State of California in and for the County of Marin, No. 23282, as modified by the Satisfaction of Judgment filed October 23, 1961 and the Compromise and Release between

Hillsborough and San Francisco dated August 22, 1961. The rights and obligations of Hillsborough under these documents shall continue as therein set forth.

3. Nothing in this Agreement is intended to affect or prejudice any claims, rights or remedies of Guadalupe or of Crocker Estate Company, a corporation, or of Crocker Land Company, a corporation, or of San Francisco, or of their successors and assigns, respectively, with respect to or arising out of that certain deed dated May 22, 1884, from Charles Crocker to Spring Valley Water Works, a corporation, recorded on May 24, 1884, in Book 37 of Deeds at page 356, Records of San Mateo County, California, as amended by that certain Deed of Exchange of Easements in Real Property and Agreement for Trade in Connection Therewith, dated July 29, 1954, recorded on August 4, 1954, in Book 2628, at page 298, Official Records of said San Mateo County, or with respect to or arising out of that certain action involving the validity or enforceability of certain provisions of said deed entitled City and County of San Francisco v. Crocker Estate Company, in the Superior Court of the State of California in and for the County of Marin, No. 23281.

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Attachment A - Definitions

“1984 Agreement” refers to the 1984 Settlement Agreement and Master Water Sales Contract between the City and County of San Francisco and certain Suburban Purchasers in San Mateo County, Santa Clara County and Alameda County, which expires on June 30, 2009.

“Act” refers to the Raker Act, 38 Stat. 242, the Act of Congress, enacted in 1913, that authorized the construction of the Hetch Hetchy system on federal lands.

“Adjusted Proportional Annual Use” means the respective percentages of annual water use, as adjusted to reflect deliveries of water by the Hetch Hetchy Enterprise to outside City Retail Customers. The adjustment is calculated each year as described in Section B of Attachment J and is shown on lines 18 and 19 of Table 1 of that Attachment.

“Agreement” refers to this Water Supply Agreement, by and among San Francisco and the Wholesale Customers who approve this Agreement in accordance with Section 1.03.

“BAWSCA” refers to the Bay Area Water Supply and Conservation Agency established pursuant to Division 31 of the California Water Code (Water Code §§81300-81461) or its successor and permitted assigns.

“CEQA” refers to the California Environmental Quality Act found at §§21000 et seq. of the Public Resources Code and the Guidelines for the California Environmental Quality Act found at §§15000 et seq. of Title 14 of the California Code of Regulations, as amended from time to time.

“Commission” means the governing board of the SFPUC, whose members, as of the date of this Agreement, are appointed by the Mayor of San Francisco and confirmed by the San Francisco Board of Supervisors.

“Compliance Audit” refers to the annual audit of the Wholesale Revenue Requirement by the Compliance Auditor required by Sections 7.03 through 7.05.

“Compliance Auditor” refers to the independent certified public accountant chosen by the San Francisco Controller to conduct each fiscal year’s audit of the SFPUC’s calculation of the Wholesale Revenue Requirement as provided in Section 7.03.B.

“Countywide Cost Allocation Plan” refers to the full costs of the Water and Hetch Hetchy Enterprises’ prorated share of San Francisco city government expenses that are not directly billed to city departments, as determined by the Controller of the City and County of San Francisco.

“Debt Service” means principal and interest paid during a fiscal year on Indebtedness incurred by the SFPUC for the 2006 Revenue Bonds, Series A, and subsequently issued Indebtedness (exclusive of 2006 Revenue Bonds Series B and C), the proceeds of which are used or are scheduled to be used for the acquisition or construction of New Regional Assets or to refund such Indebtedness.

“Direct Retail” refers to Regional Water System capital or operating expenditures that are incurred to provide water service solely to Retail Customers.

“Direct Wholesale” refers to Regional Water System capital or operating expenditures that are incurred to provide water service solely to one or more Wholesale Customers.

“Drought” means a water shortage caused by lack of precipitation, as reflected in resolutions of the Commission calling for voluntary or mandatory water rationing based on evaluation of water stored or otherwise available to the Regional Water System, whether or not the Commission declares a water shortage emergency pursuant to Water Code §§ 350 et seq., as amended from time to time.

“Effective Date” refers to the date this Agreement will become effective in accordance with the terms of Section 1.03.

“Emergency” means a sudden, non-drought event, such as an earthquake, failure of Regional Water System infrastructure or other catastrophic event or natural disaster that results in an insufficient supply of water available to the Retail or Wholesale Service Areas for basic human consumption, firefighting, sanitation, and fire protection.

“Encumbrance” or **“Encumber”** refers to the process by which the City Controller certifies the availability of amounts previously appropriated by the Commission for specifically identified SFPUC capital projects performed either by third parties or through work orders to other City departments.

“Environmental Enhancement Surcharge” means the surcharge to be imposed by the SFPUC on individual parties to this Agreement whose use exceeds their Interim Supply Allocation when the collective use of water by all parties to this Agreement is in excess of the Interim Supply Limitation.

“ERRP” refers to a SFPUC document entitled *Emergency Response and Recovery Plan: Regional Water System* (“ERRP”) dated August 23, 2003, and updated November 2006.

“Excess Use Charges” are monthly charges set by the SFPUC, in the form of multipliers, that are applied to the Wholesale Customer water rates during times of mandatory rationing if a Wholesale Customer's water usage is greater than its shortage allocation. Excess Use Charges are further described in Section 4 of the Tier 1 Shortage Plan (Attachment H).

“Existing Assets” refers to Regional and Hetch Hetchy Water-Only and Water-Related capital assets plant in service as of June 30, 2009.

“Existing System Assets” refers to all Water Enterprise and Hetch Hetchy Enterprise assets and assets that are components of, or appurtenances thereto. Existing Assets are a subset of the Existing System Assets for repayment of capital costs under Section 5.03.

“Existing Facilities” means those wells and associated infrastructure owned by the Participating Pumpers and in existence as of the effective date of the Project Operating Agreement, and any replacements of Existing Facilities irrespective of location.

“Force Majeure Event” means an event not the fault of, and beyond the reasonable control of, the party claiming excuse which makes it impossible or extremely impracticable for such party to perform obligations imposed on it by this Agreement, by virtue of its effect on physical facilities and their operation or employees essential to such performance. Force Majeure Events include (a) an “act of God” such as an earthquake, flood, earth movement, or similar catastrophic event, (b) an act of the public enemy, terrorism, sabotage, civil disturbance or similar event, (c) a strike, work stoppage, picketing or similar concerted labor action, (d) delays in construction caused by unanticipated negligence or breach of contract by a third party or inability to obtain essential materials after diligent and timely efforts; or (e) an order or regulation issued by a federal or state regulatory agency after the Effective Date or a judgment or order entered by a federal or state court after the Effective Date.

“Fundamental Rights” of Wholesale Customers are their status as parties to this Agreement, their allocation of water recognized in Section 3.02, their protection against arbitrary, unreasonable, or unjustly discriminatory rates provided in Section 6.04, and any specific rights described in Article 9.

“Groundwater Storage and Recovery Project” refers to a WSIP project for groundwater storage and recovery in the Southern portion of the Westside Basin approved in SFPUC Resolution No. 14-0127 dated August 12, 2014.

“Hetch Hetchy Enterprise” refers to Hetch Hetchy Water and Power Enterprise, a SFPUC operating department.

“In Lieu Water” refers to Regional Water System water, subject to the limitations set forth in Section 9.02 of this Agreement for water delivered to California Water Service Company, that the SFPUC delivers at no charge on an interruptible basis to the Participating Pumpers, to replace groundwater that the Participating Pumpers refrain from pumping using their Existing Facilities during storage periods under the Project Operating Agreement.

“Include” and its variants mean “including but not limited to” whenever used in this Agreement, regardless of whether or not it is capitalized.

“Indebtedness” includes revenue bonds, bond anticipation notes, certificates of participation (excluding certificates of participation towards which SFPUC contributes debt service as an operating expense), and commercial paper.

“Individual Water Sales Contract” refers to the contracts between each Wholesale Customer and San Francisco contemplated in Section 9.01 that details customer-specific matters such as location of service connections, service area maps and other matters specific to that customer.

“Individual Supply Guarantee” refers to each Wholesale Customer’s share of the Supply Assurance, as shown in Attachment C.

“Interim Supply Allocation” refers to each Wholesale Customer’s share, to be established by the SFPUC pursuant to Section 4.02, of the Interim Supply Limitation.

“Interim Supply Limitation” refers to the 265 MGD annual average limitation on water deliveries until December 31, 2018 from Regional Water System watersheds imposed by the SFPUC in its approval of the WSIP in Resolution Number 08-0200 dated October 30, 2008.

“Irrigation Well Owners” refers to the Hills of Eternity, Home of Peace, and Salem Cemetery; Eternal Home Cemetery; Woodlawn Cemetery; Holy Cross Cemetery; Italian Cemetery; Olivet Cemetery; Cypress Lawn Cemetery; and the California Golf Club, located within the Southern portion of the Westside Basin.

“Irrigation Well Owner Replacement Water” refers to water supplied by the Regional Water System delivered on a standby basis by the SFPUC, or wheeled through California Water Service Company's South San Francisco District System, for delivery to Irrigation Well Owners as may be necessary under the MMRP.

“Joint,” when used in connection with Hetch Hetchy Enterprise assets or expenses, refers to assets used or expenses incurred in providing both water supply (“Water-Related”) and in the generation and transmission of electrical energy (“Power-Related”).

“Level of Service Goals and Objectives” refers to the “Phased WSIP Goals and Objectives” adopted by the Commission in Resolution No. 08-0200 dated October 30, 2008 as part of the approval of the WSIP and any amendments that may be adopted by the Commission.

“Local System Water” refers to Regional Water System water supplies developed in San Mateo, Alameda and Santa Clara Counties or otherwise not produced by the Hetch Hetchy Enterprise under rights of way granted by the Raker Act.

“MGD” refers to an average flow rate of one million gallons per day over a specific time period, often a year. For example, one MGD is equal to 365 million gallons per year or 1,120 acre feet per year.

“Mitigation, Monitoring and Reporting Program or “MMRP” refers to the CEQA required program of mitigation and monitoring adopted by the SFPUC as part of Groundwater Storage and Recovery Project approval in Resolution No. 14-0127.

“Net Annual Debt Service” refers to debt service less payments made from proceeds of Indebtedness (e.g., capitalized interest), earnings on bond proceeds (e.g., reserve fund

earnings) used to pay Debt Service, and interest paid from renewed commercial paper, or from reserve fund liquidation.

“New Assets” refers to Regional and Hetch Hetchy Water-Only and Water-Related capital assets added to Regional Water System plant in service after June 30, 2009.

“New Regional Assets” refers to New Assets placed in service on or after July 1, 2009 that are used and useful in delivering water to Wholesale Customers. The following four categories comprise New Regional Assets:

1. Water Enterprise Regional Assets
2. Water Enterprise Direct Wholesale Assets
3. Hetch Hetchy Water Only Assets
4. Water-Related portion (45 percent) of Hetch Hetchy Joint Assets

“Participating Pumpers” refers to the Wholesale Customers pumping groundwater who are parties to the Project Operating Agreement; specifically, the cities of Daly City and San Bruno and the California Water Service Company, South San Francisco Service Area.

“Participating Pumper Replacement Water” refers to the quantity of Regional Water System water that may be made available by the SFPUC to some or all of the Participating Pumpers in accordance with Section 4.7 of the Project Operating Agreement.

“Power-Only,” when used with reference to Hetch Hetchy Enterprise capital costs and operating and maintenance expenses, means capital costs and expenses that are incurred solely for the construction and operation of assets used to generate and transmit electrical energy.

“Power-Related” refers to the power related portion (55%) of Joint Hetch Hetchy Enterprise assets or expenses.

“Prepayment” refers to payments of principal and interest amounts not due in the year the prepayment is made, as described in Section 5.03.

“Project Facility or Facilities” refers to all Groundwater Storage and Recovery Project assets, such as Project wells and all related fixed assets (e.g., real property, water treatment, connecting pipelines) that are acquired or constructed by the SFPUC pursuant to the Project

Operating Agreement and operated as Regional Water System assets for the allocation of capital costs and operation and maintenance expenses under this Agreement.

“Project Operating Agreement” refers to the “Agreement for Groundwater Storage and Recovery from the Southern Portion of the Westside Groundwater Basin by and among the San Francisco Public Utilities Commission, the City of Daly City, the City of San Bruno, and California Water Service Company,” dated as of December 16, 2014.

“Proportional Annual Use” means the shares of deliveries from the Regional Water System used by City Retail Customers and by the Wholesale Customers in a fiscal year, expressed as a percentage. The percentages of annual use are calculated each year as described in Section B of Attachment J and are shown on lines 10 and 11 of Table 1 of that Attachment.

“Proportional Water Use” refers the general principle of allocating Regional Water System costs based on the relative purchases of water by Retail and Wholesale Customers.

“Regional,” when used with reference to Water Enterprise capital assets and operating expenses, refers to assets and expenses that benefit Wholesale and Regional Customers.

“Regional Water System” means the water storage, transmission and treatment system operated by the SFPUC in Tuolumne, Stanislaus, San Joaquin, Alameda, Santa Clara, San Mateo and San Francisco counties, including projects constructed under the WSIP, but excluding Direct Retail and Direct Wholesale assets.

“Retail Customers” means any customer that purchases water from San Francisco that is not a Wholesale Customer, whether located inside or outside of San Francisco.

“Retail Service Area” means the areas where SFPUC sells water to Retail Customers.

“Retail Water” means water sold by the SFPUC to its Retail Customers within and outside San Francisco.

“San Francisco” refers to the City and County of San Francisco.

“SFPUC” refers to the San Francisco Public Utilities Commission as an operating department of San Francisco, the General Manager of which reports to the Commission.

“SFPUC Bureaus” refers to the portions of the SFPUC that provide support services to the SFPUC Operating Departments. These presently consist of the General Manager’s Office, Business Services, and External Affairs.

“SFPUC Operating Departments” refers to the Water, Hetch Hetchy and Wastewater Program Enterprises under the control and management of the SFPUC pursuant to the San Francisco Charter.

“SFPUC Storage Account” refers to the book account maintained by the SFPUC showing the amount of water stored in the Southern Westside Basin pursuant to the Project Operating Agreement.

“Shared Facilities” refers to an Existing Facility that is owned by a Participating Pumper, as upgraded through the expenditure of Regional capital costs under Section 5.04 of this Agreement and operated in part as a Project Facility.

“Substantially Expended”: A bond issue series is substantially expended when 98% of the proceeds and investment earnings contributed to the project fund have been expended.

“Supply Assurance” means the 184 MGD maximum annual average metered supply of water dedicated by San Francisco to public use in the Wholesale Service Area (not including San Jose and Santa Clara) in the 1984 Agreement and Section 3.01 of this Agreement.

“Target Balance,” for purposes of determining the Wholesale Capital Fund unencumbered balance under Section 6.08.E and amended Attachment M-3 beginning in FY 2018-19, means the sum of (i) the current year (FY 2018-19) wholesale share of the revenue funded capital appropriation for New Regional Assets pursuant to Section 5.04.B times the quotient of 4 divided by 5; plus (ii) the wholesale appropriation for the prior year (FY 2017-18) times the quotient of 3 divided by 5; plus (iii) the wholesale appropriation for the 2nd year prior (FY 2016-17) times the quotient of 2 divided by 5; plus (iv) the wholesale appropriation for the third year prior (FY 2015-16) times the quotient of 1 divided by 5. Such appropriations shall take into account any de-appropriations and/or reimbursements from bond proceeds or other sources. The fiscal years in parentheses used in this definition are for illustration purposes only.

“Term” means the 25-year term commencing July 1, 2009, including one or both 5-year extensions authorized by Section 2.02.A and B.

“Tier 1 Shortage Plan” refers to the Water Shortage Allocation Plan (Attachment H) adopted by the SFPUC and the Wholesale Customers in conjunction with this Agreement describing the method for allocating water between the SFPUC and the Wholesale Customers collectively for shortages of up to 20% of deliveries from the Regional Water System, as amended from time-to-time.

“Water Enterprise” refers to the San Francisco Water Department (SFWD), an SFPUC Operating Department.

“Water Management Charge” refers to the charge collected by San Francisco on behalf of BAWSCA for local water resource development in the Wholesale Service Area pursuant to Section 3.06 of this Agreement.

“Water-Only,” when used with reference to Hetch Hetchy Enterprise capital costs and operating and maintenance expenses, means capital costs and expenses that are incurred solely for the construction and operation of assets used to protect water quality or to provide for the delivery of water for consumptive purposes.

“Water-Related” refers to the water related portion (45%) of Joint Hetch Hetchy Enterprise assets or expenses.

“Water Supply Development Report” refers to the annual report prepared pursuant to Section 4.05, and submitted to the Commission for purposes of estimating whether Regional Water System demand will be within the Interim Supply Limitation by June 30, 2018.

“Wheeling Statute” refers to Article 4 of Chapter 11 of the California Water Code, as amended from time to time.

“Wholesale Capital Fund” is the account established by the SFPUC for deposit of Wholesale Customer revenue that is used to fund the wholesale share of revenue-funded New Regional Assets, as described in Section 6.08.

“Wholesale Customer” or “Customers” means one or more of the 26 water customers identified in Section 1.02 that are contracting for purchase of water from San Francisco pursuant to this Agreement.

“Wholesale Revenue Coverage” refers to the additional dollar amount included in wholesale rates each fiscal year that is charged to Wholesale Customers by the SFPUC for their proportionate share of Debt Service coverage under Section 6.06.A.

“Wholesale Revenue Coverage Reserve” refers to the account established by the SFPUC for deposit of Wholesale Revenue Coverage under Section 6.06.B.

“Wholesale Revenue Requirement” means the calculated Wholesale Customer portion of SFPUC Regional Water System capital and operating costs as determined in accordance with the provisions of Article 5 of this Agreement, formerly called the “Suburban Revenue Requirement” in the 1984 Agreement.

“Wholesale Service Area” means the combined service areas of the Wholesale Customers, as delineated on the service area maps attached to each Individual Water Sales Contract.

“WSIP” refers to the Water System Improvement Program approved by the Commission in Resolution No. 08-0200 on October 30, 2008, as amended from time to time.

ATTACHMENT B

WHOLESALE CUSTOMER REGIONAL WATER SYSTEM PURCHASES FY 2007-2008*

(To determine 75% approval process for Section 1.02)

WHOLESALE CUSTOMER	MGD
Alameda County Water District	12.90
California Water Service Company	37.72
City of Brisbane	0.23
City of Burlingame	4.50
City of Daly City	4.49
City of East Palo Alto	2.16
City of Hayward	19.33
City of Menlo Park	3.69
City of Millbrae	2.46
City of Milpitas	6.95
City of Mountain View	10.51
City of Palo Alto	12.72
City of Redwood City	11.01
City of San Bruno	1.86
City of San Jose	4.80
City of Santa Clara	3.49
City of Sunnyvale	10.52
Coastside County Water District	2.08
Estero Municipal Improvement District	5.51
Guadalupe Valley Municipal Improvement District	0.40
Mid-Peninsula Water District	3.25
North Coast County Water District	3.25
Purissima Hills Water District	2.31
Skyline County Water District	0.16
Stanford University	2.31
Town of Hillsborough	3.83
Westborough Water District	0.95
Total	173.39

*Source: SFPUC Commercial Division Records

Note: FY 2007-2008 was a Leap Year with 366 days.

ATTACHMENT C
INDIVIDUAL SUPPLY GUARANTEES

	(1)	(2)
WHOLESALE CUSTOMER	100 Cubic Feet (per year)¹	Million Gallons Per Day (MGD)¹
Alameda County Water District	6,714,439	13.760
California Water Service Company ²	17,320,807	35.499
City of Brisbane	224,435	0.460
City of Burlingame	2,553,753	5.234
City of Daly City	2,094,386	4.292
City of East Palo Alto	1,689,713	3.463
City of Menlo Park	2,174,231	4.456
City of Millbrae	1,538,120	3.152
City of Milpitas	4,504,533	9.232
City of Mountain View	6,079,715	12.460
City of Palo Alto	8,087,730	16.575
City of Redwood City	5,333,115	10.930
City of San Bruno	1,583,899	3.246
City of Sunnyvale	6,138,122	12.580
Coastside County Water District	1,061,453	2.175
Estero Municipal Improvement District	2,878,807	5.900
Guadalupe Valley Municipal Improvement District	254,436	0.521
Mid-Peninsula Water District	1,898,707	3.891
North Coast County Water District	1,872,928	3.838
Purissima Hills Water District	792,832	1.625
Skyline County Water District	88,537	0.181
Stanford University	1,479,764	3.033
Town of Hillsborough	1,995,644	4.090
Westborough Water District	644,172	1.320
Total: ³	79,004,278	161.913

Footnotes:

1. 100 Cubic feet per year = Million Gallons per Day / 0.00000204946. Figures in column (1) are calculated using unrounded MGD values and are more precise than the figures listed in column (2)
2. Includes quantities from Los Trancos County Water District and Palomar Park Water District.
3. Total does not equal sum of MGD figures due to rounding. Total is not 184 MGD because the table does not include the City of Hayward. Cordilleras Mutual Water Association is not a party to this Agreement, but it has its own Supply assurance of 3,007 hundred cubic feet (CCF).

ATTACHMENT D

PROCEDURE FOR PRO-RATA REDUCTION OF WHOLESALE CUSTOMERS' INDIVIDUAL SUPPLY GUARANTEES (SECTION 3.02).

The 23 wholesale customers listed on Attachment C have individual Supply Guarantees that total approximately 161.9 MGD.

If the amount of water purchased from SFPUC by Hayward exceeds 22.1 MGD for three consecutive fiscal years, the individual Supply Guarantees of each of those 23 wholesale customers will be reduced as described below.

STEP ONE:

Obtain the average annual excess purchases during the three fiscal year period. For example, assume Hayward uses 25.0 MGD, 24.2 MGD and 26.0 MGD in three consecutive years. The average annual excess use for that period is 2.9 MGD; calculated as follows:

$$\frac{[25.0 \text{ MGD} + 24.2 \text{ MGD} + 26.0 \text{ MGD}]}{3} + 161.9 \text{ MGD} = 186.9 \text{ MGD}$$

$$186.9 \text{ MGD} - 184.0 \text{ MGD} = 2.9 \text{ MGD}$$

STEP TWO:

Allocate the excess purchases among the 23 Wholesale Customers in proportion to each customer's Supply Guarantee as a percentage of the total Supply Guarantees (161.9 MGD as of FY 2009-10).

For example, assume that Wholesale Customer A's Supply Guarantee is 12.0 MGD. Wholesale Customer A's percentage share of the total individual supply guarantees is 0.074, calculated as follows:

$$\frac{12.0 \text{ MGD}}{161.9 \text{ MGD}} = 0.074$$

and its share of the excess use is 0.22 MGD, calculated as follows:

$$2.9 \text{ MGD} \times 0.074 = 0.22 \text{ MGD}$$

STEP THREE:

Determine Wholesale Customer's adjusted Supply Guarantee by subtracting the result of Step Two from the Wholesale Customer's Supply Guarantee:

$$12 \text{ MGD} - 0.22 \text{ MGD} = 11.78 \text{ MGD}$$

* * * * *

Adjustments will be made at intervals comprised of distinct three-year periods of use by Hayward in excess of 22.1 MGD rather than overlapping periods. For example, assuming that the first adjustment were to occur in FY 2014-15 (based on use during FY 2011-12, FY 2012-13 and FY 2013-14), a second adjustment will not occur earlier than three full fiscal years thereafter (i.e., FY 2017-18, based on use by Hayward in FY 2014-15, FY 2015-16 and FY 2016-17). The figures used in the second and subsequent adjustments will reflect previous adjustments. For example, a second adjustment will use 158.9 MGD as the total of individual Supply Guarantees (161.6 MGD - 2.7 MGD = 158.9 MGD).

For purposes of simplicity, the volumetric units used in the foregoing example are MGD. For actual adjustment calculations, the unit employed will be hundreds of cubic feet ("ccf"), the unit by which the SFPUC measures water deliveries for billing purposes.

The procedure described and illustrated above is independent of and unrelated to the establishment by the SFPUC of Interim Supply Limitations described in Article 4.

ATTACHMENT E

MINIMUM ANNUAL PURCHASE QUANTITIES

(Section 3.07.C)

AGENCY	MINIMUM ANNUAL PURCHASE QUANTITY (IN MGD)
Alameda County Water District	7.648
City of Milpitas	5.341
City of Mountain View	8.930
City of Sunnyvale	8.930

ATTACHMENT F

WATER SALES CONTRACT

This Contract, dated as of _____, 2009, is entered into by and between the City and County of San Francisco ("San Francisco") and

_____. ("Customer").

RECITALS

San Francisco and the Customer have entered into a Water Supply Agreement ("WSA"), which sets forth the terms and conditions under which San Francisco will continue to furnish water for domestic and other municipal purposes to Customer and to other Wholesale Customers. The WSA contemplates that San Francisco and each individual Wholesale Customer will enter into an individual contract describing the location or locations at which water will be delivered to each customer by the San Francisco Public Utilities Commission ("SFPUC"), the customer's service area within which water so delivered is to be sold, and other provisions unique to the individual purchaser. This Water Sales Contract is the individual contract contemplated by the WSA.

AGREEMENTS OF THE PARTIES

1. Incorporation of the WSA

The terms and conditions of the WSA are incorporated into this Contract as if set forth in full herein.

2. Term

Unless explicitly provided to the contrary in Article 9 of the WSA, the term of this Contract shall be identical to that provided in Section _____ of the WSA.

3. Service Area

Water delivered by San Francisco to the Customer may be used or sold within the service area shown on the map designated Exhibit A attached hereto. Except as provided in Section ____ of the WSA, Customer shall not deliver or sell any water provided by San Francisco outside of this area without the prior written consent of the General Manager of the SFPUC.

4. Location and Description of Service Connections

Sale and delivery of water to Customer will be made through a connection or connections to the SFPUC Regional Water System at the location or locations shown on Exhibit A attached hereto and with the applicable present account number, description, connection size, and meter size shown on Exhibit B attached hereto.

5. Interties With Other Systems.

Customer maintains interties with neighboring water systems at the location or locations shown on Exhibit A attached hereto and with the connection size(s) as shown on Exhibit C attached hereto.

6. Billing and Payment

San Francisco shall compute the amounts of water delivered and bill Customer therefor on a monthly basis. The bill shall show the separate components of the charge (e.g., service, consumption, demand). Customer shall pay the amount due within thirty (30) days after receipt of the bill.

If Customer disputes the accuracy of any portion of the water bill it shall (a) notify the General Manager of the SFPUC in writing of the specific nature of the dispute and (b) pay the undisputed portion of the bill within thirty (30) days after receipt. Customer shall meet with the General Manager of the SFPUC or a delegate to discuss the disputed portion of the bill.

7., 8., 9... Other Specialized Provisions

[Certain Wholesale Customers will require additional provisions in their individual contracts addressed to issues such as minimum and/or maximum water delivery quantities, prior authorized wheeling arrangements, maximum expansion of the service area, etc. These and other provisions addressing issues unique to the particular Wholesale Customer may be added here, subject to the provisions of Section 9.01 of the WSA.]

IN WITNESS WHEREOF, the parties hereto have executed this Contract, to become effective upon the effectiveness of the WSA, by their duly authorized representatives.

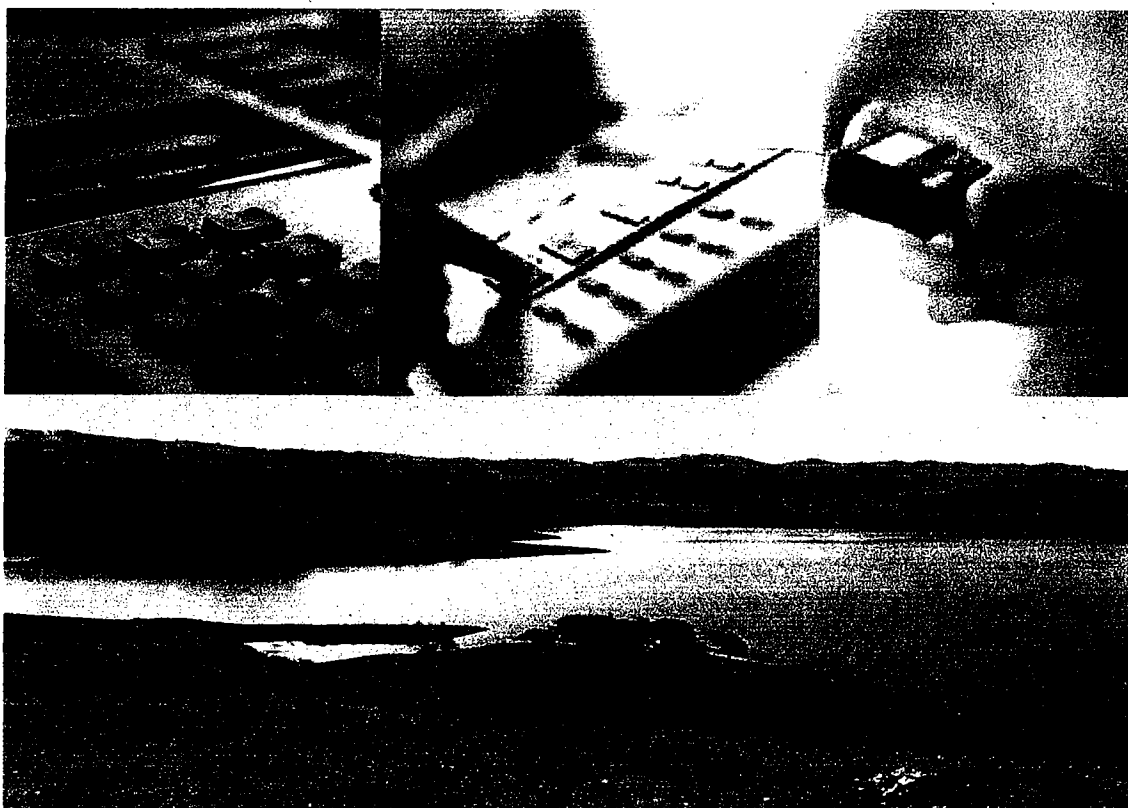
CITY AND COUNTY OF SAN FRANCISCO Acting by and through its Public Utilities Commission BY _____ Edward Harrington General Manager	Date: _____, 2009
NAME OF WHOLESALE CUSTOMER BY _____ Name: Title:	Date: _____, 2009

Note: This attachment is provided for the convenience of the prospective parties to the Water Supply Agreement and associated individual contracts. The format may be modified as desired by San Francisco and Wholesale Customer, subject to Section 9.01 of the WSA.



ATTACHMENT G

**Water Quality
Notification and Communications Plan
Revision 4
January 2006**



**Updated by:
Water Quality Engineering
Olivia Chen Consultants, Inc.**

ATTACHMENT H

WATER SHORTAGE ALLOCATION PLAN

This Interim Water Shortage Allocation Plan (“Plan”) describes the method for allocating water between the San Francisco Public Utilities Commission (“SFPUC”) and the Wholesale Customers collectively during shortages caused by drought. The Plan implements a method for allocating water among the individual Wholesale Customers which has been adopted by the Wholesale Customers. The Plan includes provisions for transfers, banking, and excess use charges. The Plan applies only when the SFPUC determines that a system-wide water shortage due to drought exists, and all references to “shortages” and “water shortages” are to be so understood. This Plan was adopted pursuant to Section 7.03(a) of the 1984 Settlement Agreement and Master Water Sales Contract and has been updated to correspond to the terminology used in the June 2009 Water Supply Agreement between the City and County of San Francisco and Wholesale Customers in Alameda County, San Mateo County and Santa Clara County ("Agreement").

SECTION 1. SHORTAGE CONDITIONS

1.1. Projected Available SFPUC Water Supply. The SFPUC shall make an annual determination as to whether or not a shortage condition exists. The determination of projected available water supply shall consider, among other things, stored water, projected runoff, water acquired by the SFPUC from non-SFPUC sources, inactive storage, reservoir losses, allowance for carryover storage, and water bank balances, if any, described in Section 3.

1.2 Projected SFPUC Purchases. The SFPUC will utilize purchase data, including volumes of water purchased by the Wholesale Customers and by Retail Customers (as those terms are used in the Agreement) in the year immediately prior to the drought, along with other available relevant information, as a basis for determining projected system-wide water purchases from the SFPUC for the upcoming year.

1.3. Shortage Conditions. The SFPUC will compare the available water supply (Section 1.1) with projected system-wide water purchases (Section 1.2). A shortage condition exists if the SFPUC determines that the projected available water supply is less than projected system-wide water purchases in the upcoming Supply Year (defined as the period from July 1 through June 30). When a shortage condition exists, SFPUC will determine whether voluntary or mandatory actions will be required to reduce purchases of SFPUC water to required levels.

1.3.1 Voluntary Response. If the SFPUC determines that voluntary actions will be sufficient to accomplish the necessary reduction in water use throughout its service area, the SFPUC and the Wholesale Customers will make good faith efforts to reduce their water purchases to stay within their annual shortage allocations and associated monthly water use budgets. The SFPUC will not impose excess use charges during periods of voluntary rationing, but may suspend the prospective accumulation of water bank credits, or impose a ceiling on further accumulation of bank credits, consistent with Section 3.2.1 of this Plan.

1.3.2 Mandatory Response. If the SFPUC determines that mandatory actions will be required to accomplish the necessary reduction in water use in the SFPUC service area, the SFPUC may implement excess use charges as set forth in Section 4 of this Plan.

1.4. Period of Shortage. A shortage period commences when the SFPUC determines that a water shortage exists, as set forth in a declaration of water shortage emergency issued by the SFPUC pursuant to California Water Code Sections 350 et seq. Termination of the water shortage emergency will be declared by resolution of the SFPUC.

SECTION 2. SHORTAGE ALLOCATIONS

2.1. Annual Allocations between the SFPUC and the Wholesale Customers. The annual water supply available during shortages will be allocated between the SFPUC and the collective Wholesale Customers as follows:

Level of System Wide Reduction in Water Use Required	Share of Available Water	
	SFPUC Share	Wholesale Customers Share
5% or less	35.5%	64.5%
6% through 10%	36.0%	64.0%
11% through 15%	37.0%	63.0%
16% through 20%	37.5%	62.5%

The water allocated to the SFPUC shall correspond to the total allocation for all Retail Customers. In the event that the SFPUC share of the available water supply in the above table results in Retail Customers having a positive allocation (i.e., a supply of additional water rather than a required percentage reduction in water use), the SFPUC's percentage share of the available water supply in the table shall be reduced to eliminate any positive allocation to Retail Customers, with a corresponding increase in the percentage share of the available water supply allocated to the Wholesale Customers. For any level of required reduction in system-wide water use during shortages, the SFPUC shall require Retail Customers to conserve a minimum of 5%, with any resulting reallocated supply credited to storage for inclusion in calculation of projected available water SFPUC water supply in a subsequent year (Section 1.1).

The parties agree to reevaluate the percentages of the available water supply allocated to Retail and Wholesale Customers by May 1, 2028.

2.2 Annual Allocations among the Wholesale Customers. The annual water supply allocated to the Wholesale Customers collectively during system wide shortages of 20 percent or less will be apportioned among them based on a methodology adopted by all of the Wholesale Customers, as described in Section 3.11(C) of the Agreement. In any year for which the methodology must be applied, the Bay Area Water Supply and Conservation Agency ("BAWSCA") will calculate each Wholesale Customer's individual percentage share of the amount of water allocated to the Wholesale Customers collectively pursuant to Section 2.1. Following the declaration or reconfirmation of a water shortage emergency by the SFPUC, BAWSCA will deliver to the SFPUC General Manager a list, signed by the President of BAWSCA's Board of Directors and

its General Manager, showing each Wholesale Customer together with its percentage share and stating that the list has been prepared in accordance with the methodology adopted by the Wholesale Customers. The SFPUC shall allocate water to each Wholesale Customer, as specified in the list. The shortage allocations so established may be transferred as provided in Section 2.5 of this Plan. If BAWSCA or all Wholesale Customers do not provide the SFPUC with individual allocations, the SFPUC may make a final allocation decision after first meeting and discussing allocations with BAWSCA and the Wholesale Customers.

The methodology adopted by the Wholesale Customers utilizes the rolling average of each individual Wholesale Customer's purchases from the SFPUC during the three immediately preceding Supply Years. The SFPUC agrees to provide BAWSCA by November 1 of each year a list showing the amount of water purchased by each Wholesale Customer during the immediately preceding Supply Year. The list will be prepared using Customer Service Bureau report MGT440 (or comparable official record in use at the time), adjusted as required for any reporting errors or omissions, and will be transmitted by the SFPUC General Manager or his designee.

2.3. Limited Applicability of Plan to System Wide Shortages Greater Than Twenty Percent. The allocations of water between the SFPUC and the Wholesale Customers collectively, provided for in Section 2.1, apply only to shortages of 20 percent or less. The SFPUC and Wholesale Customers recognize the possibility of a drought occurring which could create system-wide shortages greater than 20 percent despite actions taken by the SFPUC aimed at reducing the probability and severity of water shortages in the SFPUC service area. If the SFPUC determines that a system wide water shortage greater than 20 percent exists, the SFPUC and the Wholesale Customers agree to meet within 10 days and discuss whether a change is required to the allocation set forth in Section 2.1 in order to mitigate undue hardships that might otherwise be experienced by individual Wholesale Customers or Retail Customers. Following these discussions, the Tier 1 water allocations set forth in Section 2.1 of this Plan, or a modified version thereof, may be adopted by mutual written consent of the SFPUC and the Wholesale Customers. If the SFPUC and Wholesale Customers meet and cannot agree on an appropriate Tier 1 allocation within 30 days of the SFPUC's determination of water shortage greater than 20 percent, then (1) the provisions of Section 3.11(C) of the Agreement will apply, unless (2) all of the Wholesale Customers direct in writing that a Tier 2 allocation methodology agreed to by them be used to apportion the water to be made available to the Wholesale Customers collectively, in lieu of the provisions of Section 3.11(C).

The provisions of this Plan relating to transfers (in Section 2.5), banking (in Section 3), and excess use charges (in Section 4) shall continue to apply during system-wide shortages greater than 20 percent.

2.4. Monthly Water Budgets. Within 10 days after adopting a declaration of water shortage emergency, the SFPUC will determine the amount of Tier 1 water allocated to the Wholesale Customers collectively pursuant to Section 2.1. The SFPUC General Manager, using the Tier 2 allocation percentages shown on the list delivered by BAWSCA pursuant to Section 2.2, will calculate each Wholesale Customer's individual annual allocation. The SFPUC General Manager, or his designee, will then provide each Wholesale Customer with a proposed schedule of monthly water budgets based on the pattern of monthly water purchases during the Supply Year immediately preceding the declaration of shortage (the "Default Schedule"). Each

Wholesale Customer may, within two weeks of receiving its Default Schedule, provide the SFPUC with an alternative monthly water budget that reschedules its annual Tier 2 shortage allocation over the course of the succeeding Supply Year. If a Wholesale Customer does not deliver an alternative monthly water budget to the SFPUC within two weeks of its receipt of the Default Schedule, then its monthly budget for the ensuing Supply Year shall be the Default Schedule proposed by the SFPUC.

Monthly Wholesale Customer water budgets will be derived from annual Tier 2 allocations for purposes of accounting for excess use. Monthly Wholesale Customer water budgets shall be adjusted during the year to account for transfers of shortage allocation under Section 2.5 and transfers of banked water under Section 3.4.

2.5. Transfers of Shortage Allocations. Voluntary transfers of shortage allocations between the SFPUC and any Wholesale Customers, and between any Wholesale Customers, will be permitted using the same procedure as that for transfers of banked water set forth in Section 3.4. The SFPUC and BAWSCA shall be notified of each transfer. Transfers of shortage allocations shall be deemed to be an emergency transfer and shall become effective on the third business day after notice of the transfer has been delivered to the SFPUC. Transfers of shortage allocations shall be in compliance with Section 3.05 of the Agreement. The transferring parties will meet with the SFPUC, if requested, to discuss any effect the transfer may have on its operations.

SECTION 3. SHORTAGE WATER BANKING

3.1. Water Bank Accounts. The SFPUC shall create a water bank account for itself and each Wholesale Customer during shortages in conjunction with its resale customer billing process. Bank accounts will account for amounts of water that are either saved or used in excess of the shortage allocation for each agency; the accounts are not used for tracking billings and payments. When a shortage period is in effect (as defined in Section 1.4), the following provisions for bank credits, debits, and transfers shall be in force. A statement of bank balance for each Wholesale Customer will be included with the SFPUC's monthly water bills.

3.2. Bank Account Credits. Each month, monthly purchases will be compared to the monthly budget for that month. Any unused shortage allocation by an agency will be credited to that agency's water bank account. Credits will accumulate during the entire shortage period, subject to potential restrictions imposed pursuant to Section 3.2.1. Credits remaining at the end of the shortage period will be zeroed out; no financial or other credit shall be granted for banked water.

3.2.1. Maximum Balances. The SFPUC may suspend the prospective accumulation of credits in all accounts. Alternatively, the SFPUC may impose a ceiling on further accumulation of credits in water bank balances based on a uniform ratio of the bank balance to the annual water allocation. In making a decision to suspend the prospective accumulation of water bank credits, the SFPUC shall consider the available water supply as set forth in Section 1.1 of this Plan and other reasonable, relevant factors.

3.3. Account Debits. Each month, monthly purchases will be compared to the budget for that month. Purchases in excess of monthly budgets will be debited against an agency's water bank account. Bank debits remaining at the end of the fiscal year will be subject to excess use charges (see Section 4).

3.4. Transfers of Banked Water. In addition to the transfers of shortage allocations provided for in Section 2.5, voluntary transfers of banked water will also be permitted between the SFPUC and any Wholesale Customer, and among the Wholesale Customers. The volume of transferred water will be credited to the transferee's water bank account and debited against the transferor's water bank account. The transferring parties must notify the SFPUC and BAWSCA of each transfer in writing (so that adjustments can be made to bank accounts), and will meet with the SFPUC, if requested, to discuss any affect the transfer may have on SFPUC operations. Transfers of banked water shall be deemed to be an emergency transfer and shall become effective on the third business day after notice of the transfer has been delivered to the SFPUC. If the SFPUC incurs extraordinary costs in implementing transfers, it will give written notice to the transferring parties within ten (10) business days after receipt of notice of the transfer. Extraordinary costs means additional costs directly attributable to accommodating transfers and which are not incurred in non-drought years nor simply as a result of the shortage condition itself. Extraordinary costs shall be calculated in accordance with the procedures in the Agreement and shall be subject to the disclosure and auditing requirements in the Agreement. In the case of transfers between Wholesale Customers, such extraordinary costs shall be considered to be expenses chargeable solely to individual Wholesale Customers and shall be borne equally by the parties to the transfer. In the case of transfers between the SFPUC and a Wholesale Customer, the SFPUC's share of any extraordinary transfer costs shall not be added to the Wholesale Revenue Requirement.

3.4.1. Transfer Limitations. The agency transferring banked water will be allowed to transfer no more than the accumulated balance in its bank. Transfers of estimated prospective banked credits and the "overdrafting" of accounts shall not be permitted. The price of transfer water originally derived from the SFPUC system is to be determined by the transferring parties and is not specified herein. Transfers of banked water shall be in compliance with Section 3.05 of the Agreement.

SECTION 4. WHOLESALE EXCESS USE CHARGES

4.1. Amount of Excess Use Charges. Monthly excess use charges shall be determined by the SFPUC at the time of the declared water shortage consistent with the calendar in Section 6 and in accordance with Section 6.03 of the Agreement. The excess use charges will be in the form of multipliers applied to the rate in effect at the time the excess use occurs. The same excess use charge multipliers shall apply to the Wholesale Customers and all Retail Customers. The excess use charge multipliers apply only to the charges for water delivered at the rate in effect at the time the excess use occurred.

4.2 Monitoring Suburban Water Use. During periods of voluntary rationing, water usage greater than a customer's allocation (as determined in Section 2) will be indicated on each SFPUC monthly water bill. During periods of mandatory rationing, monthly and cumulative water usage greater than a Wholesale Customer's shortage allocation and the associated excess use charges will be indicated on each SFPUC monthly water bill.

4.3. Suburban Excess Use Charge Payments. An annual reconciliation will be made of monthly excess use charges according to the calendar in Section 6. Annual excess use charges will be calculated by comparing total annual purchases for each Wholesale Customer with its

annual shortage allocation (as adjusted for transfers of shortage allocations and banked water, if any). Excess use charge payments by those Wholesale Customers with net excess use will be paid according to the calendar in Section 6. The SFPUC may dedicate excess use charges paid by Wholesale Customers toward the purchase of water from the State Drought Water Bank or other willing sellers in order to provide additional water to the Wholesale Customers. Excess use charges paid by the Wholesale Customers constitute Wholesale Customer revenue and shall be included within the SFPUC's annual Wholesale Revenue Requirement calculation.

SECTION 5. GENERAL PROVISIONS GOVERNING WATER SHORTAGE ALLOCATION PLAN

5.1. Construction of Terms. This Plan is for the sole benefit of the parties and shall not be construed as granting rights to any person other than the parties or imposing obligations on a party to any person other than another party.

5.2. Governing Law. This Plan is made under and shall be governed by the laws of the State of California.

5.3. Effect on Agreement. This Plan describes the method for allocating water between the SFPUC and the collective Wholesale Customers during system-wide water shortages of 20 percent or less. This Plan also provides for the SFPUC to allocate water among the Wholesale Customers in accordance with directions provided by the Wholesale Customers through BAWSCA under Section 2.2, and to implement a program by which such allocations may be voluntarily transferred among the Wholesale Customers. The provisions of this Plan are intended to implement Section 3.11(C) of the Agreement and do not affect, change or modify any other section, term or condition of the Agreement.

5.4. Inapplicability of Plan to Allocation of SFPUC System Water During Non-Shortage Periods. The SFPUC's agreement in this Plan to a respective share of SFPUC system water during years of shortage shall not be construed to provide a basis for the allocation of water between the SFPUC and the Wholesale Customers when no water shortage emergency exists.

5.5. Termination. This Plan shall expire at the end of the Term of the Agreement.. The SFPUC and the Wholesale Customers can mutually agree to revise or terminate this Plan prior to that date due to changes in the water delivery capability of the SFPUC system, the acquisition of new water supplies, and other factors affecting the availability of water from the SFPUC system during times of shortage.

SECTION 6. ALLOCATION CALENDAR

6.1. Annual Schedule. The annual schedule for the shortage allocation process is shown below. This schedule may be changed by the SFPUC to facilitate implementation.

6.1.1

In All Years	Target Dates
1. SFPUC delivers list of annual purchases by each Wholesale Customer during the immediately preceding Supply Year	November 1
2. SFPUC meets with the Wholesale Customers and presents water supply forecast for the following Supply Year	February
3. SFPUC issues initial estimate of available water supply	February 1
4. SFPUC announces potential first year of drought (if applicable)	February 1
5. SFPUC and Wholesale Customers meet upon request to exchange information concerning water availability and projected system-wide purchases	February 1-May 31
6. SFPUC issues revised estimate of available water supply, and confirms continued potential shortage conditions, if applicable	March 1
7. SFPUC issues final estimate of available water supply	April 15 th or sooner if adequate snow course measurement data is available to form a robust estimate on available water supply for the coming year.
8. SFPUC determines amount of water available to Wholesale Customers collectively	April 15 th or sooner if adequate snow course measurement data is available to form a robust estimate on available water supply for the coming year.

In Drought Years	Target Dates
9. SFPUC formally declares the existence of water shortage emergency (or end of water shortage emergency, if applicable) under Water Code Sections 350 et. seq.	April 15-30
10. SFPUC declares the need for a voluntary or mandatory response	April 15-30
11. BAWSCA submits calculation to SFPUC of individual Wholesale Customers' percentage shares of water allocated to Wholesale Customers collectively	April 15- 30
12. SFPUC determines individual shortage allocations, based on BAWSCA's submittal of individual agency percentage shares to SFPUC, and monthly water budgets (Default Schedule)	April 25—May 10
13. Wholesale Customers submit alternative monthly water budgets (optional)	May 8-May 24
14. Final drought shortage allocations are issued for the Supply Year beginning July 1 through June 30	June 1
15. Monthly water budgets become effective	July 1
16. Excess use charges indicated on monthly Suburban bills	August 1 (of the beginning year) through June 30 (of the succeeding year)
17. Excess use charges paid by Wholesale Customers for prior year	August of the succeeding year

ATTACHMENT I

NOT USED

ATTACHMENT J

DEFINITIONS AND FORMULAS FOR CALCULATING PROPORTIONAL ANNUAL WATER USE

TABLE OF CONTENTS

This Attachment contains four sections, three figures, and five tables.

Section A:	Water Meters
Section B:	Calculation of Proportional Annual Water Use
Section C:	Data Requirements and Schedule
Section D:	County Line and In-City Terminal Reservoir Meter Calibration and Maintenance
Figure 1:	Locations of SFPUC County-Line Meters and In-City Terminal Reservoirs
Figure 2:	Generalized Schematic of Lake Merced Pump Station
Figure 3:	Locations of System Input and In-Line Meters
Table 1:	Base Usage and Allocation Rates
Table 2:	Locations of SFPUC County-line Meters and In-City Terminal Reservoirs
Table 3:	Locations of SFPUC System Input and In-line Meters
Table 4:	County-line Meters, In-City Terminal Reservoirs and Associated Metering Equipment
Table 5:	Meter Calibration and Maintenance Frequency

Table 1 presents the format for the water usage and allocation rate calculations for reference and to illustrate the definitions and formulas described in Sections A through C. Tables 2 and 3 list the meters whose locations are shown on Figures 1 and 3, respectively. Table

4 identifies the type of meter and associated metering equipment for the County-line Meters and Terminal Reservoirs. Table 5 identifies the meter calibration and maintenance frequency for the meters and equipment listed in Table 4.

SECTION A. WATER METERS

1. General

The Agreement provides that certain operating and maintenance expenses and the capital cost of certain categories of utility plant in service are to be allocated between San Francisco and the Wholesale Customers on the basis of proportionate annual usage of the Regional Water System. The purpose of this Attachment is to describe the meters and illustrate the method by which proportionate annual usage will be calculated.

2. Units of Measurement, Rounding, Conversion

The SFPUC will compile the usage data required to complete Table 1 annually. The units of measurement and conventions for converting and rounding will be as follows.

The data in the Table 1 will be presented, and the calculations contemplated by this Attachment shown, in units of millions of gallons per day (mgd), rounded to the nearest tenth of an mgd. Percentages (e.g., the City and Wholesale usage rates) shall be carried to two digits to the right of the decimal point and reduction factors shall be carried to four digits to the right of the decimal point. Data compiled by the SFPUC in units of hundreds of cubic feet per year (ccf) shall be converted to mgd by multiplying hundreds of cubic feet per year by 0.0000020493 (or 2.0493×10^{-6}) for non-leap years and 0.0000020437 (or 2.0437×10^{-6}) for leap years.

In rounding, if the rightmost digit dropped is 0 through 4, the preceding digit shall be left unchanged; if the rightmost digit dropped is 5 through 9, the preceding digit shall be increased by 1.

3. Location of Meters/Gauges

The SFPUC presently maintains meters and gauges that have been used to determine the proportionate usage of the Regional Water System, in accordance with the methods and calculations described in Exhibit J to the 1984 contract between San Francisco and the Wholesale Customers. These meters consist of “County-Line Meters,” “In-City Terminal Reservoir Meters” and “System Input and In-line Meters” as described in the following subsections. As new capital improvement projects are designed and constructed by the SFPUC, it may be necessary for new meters to be installed to ensure continued accurate determinations of the proportionate usage of the Regional Water System. “Planned meters” are included in the following subsections where planned capital improvement projects are likely to require the installation of additional meters.

a. County-line Meters

The SFPUC presently maintains meters at or near the San Mateo-San Francisco County line to measure flow through all transmission pipelines entering the City (“County-line Meters”). The existing and planned County-line Meters are listed in Table 2 and shown on Figures 1 and 2. Additional details pertaining to the County-line meters located at the Lake Merced Pump Station, and specifically to water deliveries from the pump station to Sunset Reservoir, Sutro Reservoir, and Lake Merced are provided below.

(1) County-Line deliveries to Sunset and Sutro Reservoirs

Water delivered to the City through the Sunset Supply Pipeline may be pumped from the Lake Merced Pump Station to either Sunset Reservoir or Sutro Reservoir located within the City. When water is pumped from the Lake Merced Pump Station to both Sunset and Sutro reservoirs simultaneously, the recording instrumentation on the Sunset and Sutro venturi meters are designed to record flows through both meters.

When water is pumped to Sutro Reservoir only (typically utilizing Pump No. 4 at the

Lake Merced Pump Station), the source water is from the Sunset Reservoir (not the County-line), and the direction of flow through the Sunset venturi meter is reversed. Under this pumping scenario, the recording instrumentation on the Sunset and Sutro venturi meters are designed to not record flow on their respective recorders such that the in-City transfer of water between Sunset and Sutro Reservoirs is not included as a County-line delivery to the City. Figure 2 provides a generalized schematic of the Lake Merced Pump Station and the typical direction of flow from the County-line, through the pump station.

(2) County-line deliveries to Lake Merced

In order to raise and maintain water levels in Lake Merced, the SFPUC occasionally delivers water directly from the Regional Water System to Lake Merced. Deliveries from the Regional Water System to Lake Merced are accomplished at the Lake Merced Pump Station. The procedure involves operating valves on the suction side of Sunset Pump No. 2 such that water may flow by gravity in the Sunset Supply Pipeline, from San Mateo County, across the County-line and into San Francisco, through Lake Merced Pump Station and into the Lake Merced wet well. A 16-inch pipeline connection on the suction side of Sunset Pump No. 2 allows for deliveries of water to the wet well (see Figure 2). Water deliveries from the Regional Water System to Lake Merced are considered County-line deliveries and an in-City usage in the calculation of water allocation rates.

b. In-City Terminal Reservoirs

Water usage by the City includes water deliveries from the SFPUC's "terminal reservoirs." The terminal reservoirs are: 1) Sunset Reservoir, 2) University Mound Reservoir, and 3) Merced Manor Reservoir. The terminal reservoirs are shown on Figure 1.

c. System Input and In-Line Meters

The SFPUC presently measures water flow into and through the Regional System utilizing "System Input and In-Line Meters." The existing and planned System Input and In-Line Meters are listed in Table 3 and shown on Figure 3.

d. Wholesale Customer Meters and City Retail Customer Meters Located Outside the Boundaries of the City

The SFPUC presently measures water deliveries from the Regional Water System to its Wholesale Customers at various locations where the water delivery systems of the individual Wholesale Customers tie into the Regional Water System. The meters at these locations are referred to as the Wholesale Customers' "master meters." The SFPUC also measures water deliveries from the Regional Water System to other customers located outside of the boundaries of the City that are not Wholesale Customers. Water deliveries to the Wholesale Customers and Retail Customers outside the City's boundaries that receive water from the Regional Water System are accounted for by the SFPUC's Customer Service Division as described in Section B.

4. Replacement and Relocation of Meters, Gauges, and Recording Devices.

The SFPUC presently equips all of its large venturi meters with differential pressure transmitters. The smaller meters utilize other methods and equipment to register and record flows. The SFPUC will maintain the meters, gauges, and recording devices described above in subsections (a), (b), (c), and (d) unless and until such meters, gauges, and recording devices are replaced.

The SFPUC may replace the meters, gauges, and recording devices described above in subsections (a), (b), (c), and (d) or install new meters, gauges, and recording devices at new locations, provided that such changes do not diminish the accuracy of the water flow measurements or impair the ability of the SFPUC to separate direct City water use from water use by the wholesale customers. Maintenance and calibration procedures for new or replaced equipment may change. Modified maintenance and calibration procedures for new or replaced equipment will conform to industry standards set forth in AWWA Manual M33, the applicable

standards in the International Society of Automation, and will implement the manufacturer's instructions for maintenance and calibration. The SFPUC will provide BAWSCA with advance written notice of any such changes, together with a brief explanation of the reasons therefor and a description of the type and location of the replacement. Such notice shall automatically amend the list of meters, gauges, and recording devices set forth above in subsections (a), (b), (c), and (d).

5. Recording of Water Flow Data

a. Flow Data

The City shall record and maintain data measuring base water flow throughout the SFPUC Regional Water System as necessary to determine proportional annual water usage.

b. Reservoir Data

The SFPUC shall record and maintain data measuring the levels of the terminal reservoirs described above in subsection A.3.b and shown on Figure 1 on an hourly basis. Flow values derived from reservoir level readings for all reservoirs in the SFPUC wholesale system shall be calculated using the tables contained in the SFPUC publication "Reservoir Data" (aka "The Weir Book"), which set forth the relationship between reservoir levels and water volumes, as such tables may be amended from time to time to reflect changes in the volumes of the various reservoirs. The tables to be used initially shall be those from the current edition of The Weir Book.

SECTION B. CALCULATION OF PROPORTIONAL ANNUAL
USAGE

"Base rates" means the percentages of annual SFPUC deliveries attributed to the Wholesale Customers and to City Retail Customers.

The percentage of annual SFPUC metered deliveries attributed to the Wholesale Customers (i.e., the wholesale base rate) shall be calculated for each fiscal year as described below and illustrated in Table 1. The item numbers listed below correspond to the item numbers listed in Table 1.

- (1) "Gross San Francisco County line base deliveries" shall equal the total amount of water flowing into the City's distribution system through transmission pipelines entering the City, as measured by the County-Line Meters described in Section A.3.a. and shown on Figures 1 and 2.
- (2) "Daly City base deliveries" shall equal the water flowing to Daly City through meter accounts provided downstream of the County-Line meters or through SFPUC's City Distribution Division. At present these accounts are:
 - (a) CSPL1/Macdonald Avenue Service (Account number 010084-01-0)
 - (b) Guttenberg Street Service (Account number 010013-01-3)
 - (c) Carter Street Service (Account numbers 284070-01-8 and 284071-01-6)

These accounts represent a portion of the total deliveries to Daly City. The quantities of water delivered to these four Daly City accounts are reported monthly in Form MGT441 by the SFPUC's Customer Service Division. These connections to meters are presently located within the City, and thus record water which has already been recorded by the SFPUC's master meters at the County line. So long as this condition continues, Daly City base deliveries shall be subtracted from "Gross San Francisco County line base deliveries."

- (3) "Net San Francisco base deliveries" shall equal the result of subtracting "Daly City base deliveries" from "Gross San Francisco County line base deliveries."

- (4) "Other suburban raw water base deliveries" shall equal the sum of all deliveries of raw (untreated) water to customers of the SFPUC located outside the City other than deliveries to the Wholesale Customers. "Other suburban raw water base deliveries" include deliveries of raw water in Alameda and San Mateo Counties to SFPUC Retail Customers, City departments and commissions, and other users affiliated with San Francisco.
- (5) "Other suburban treated water base deliveries" shall equal the sum of all deliveries of treated water to customers of the SFPUC located outside the City other than deliveries to the Wholesale Customers. Other suburban treated water base deliveries include deliveries of treated water to the SFPUC's Retail Customers in San Mateo, Santa Clara and Alameda Counties (such as NASA Ames Research Center and LLNL), to City departments and commissions and other users affiliated with San Francisco (such as the San Francisco International Airport, the San Francisco County Jail, and tenants of land owned by the City Recreation and Park Department).
- (6) "Other suburban base deliveries" shall equal the sum of "Other suburban raw water deliveries" and "Other suburban treated water deliveries." The combined amount of raw and treated water delivered to suburban entities other than the Wholesale Customers is reported monthly in Form MGT440 by the SFPUC's Customer Service Division.
- (7) "Total City base usage" shall equal "Net San Francisco base deliveries" plus "Other suburban base deliveries."
- (8) "Total wholesale base usage" shall equal the sum of all metered deliveries to the Wholesale Customers measured at their SFPUC master meters (including all deliveries to Daly City which are comprised of deliveries through meters located outside San Francisco and meters located inside San Francisco, deliveries through the latter of which are designated above in paragraph B.1.2 as "Daly City base

deliveries”). The quantity of water delivered to the individual Wholesale Customers, and the combined amount of water delivered to all Wholesale Customers is reported monthly in Form MGT440 by the SFPUC’s Customer Service Division.

- (9) “Total system base usage” shall equal “City base usage” plus “Wholesale base usage.”
- (10) “Wholesale base rate” shall equal the percentage obtained by dividing “Wholesale base usage” by “Total system base usage.”
- (11) “City base rate” shall equal the percentage obtained by subtracting “Wholesale base rate” from 100 percent.
- (12) “Base system input” shall equal all amounts of water supplied to the SFPUC Regional Water System, which presently comes from the following sources:
 - (a) Hetch Hetchy water as measured at the venturi meters on the 58-inch, 61-inch, and 78.5-inch San Joaquin Pipeline Nos. 1, 2, and 3 near Oakdale.
 - (b) Water supplied by HHWPD to LLNL as measured at the customer meter. Water delivered from the system to LLNL shall be deemed negative in sign for the purpose of determining “Base system input.”
 - (c) Hetch Hetchy water pumped from the Alameda siphons to San Antonio Reservoir as measured at the venturi meter on the 60-inch San Antonio pipeline. Water delivered from the system to San Antonio Reservoir shall be deemed negative in sign for the purpose of determining “Base system input.”

- (d) Sunol Valley Water Treatment Plant as measured at the meter on the 78-inch effluent pipeline.
- (e) Harry Tracy Water Treatment Plant as measured at the venturi meters on the 60-inch and 78-inch effluent pipelines.
- (f) Raw water deliveries to all SFPUC Retail Customers outside the City boundaries as measured at the customer meter. These deliveries are considered positive for the purposes of Table 1. Currently, raw water deliveries to the system are represented by the following account numbers contained in Form MGT440 prepared by the SFPUC's Customer Service Division:

266081-01-7 (Calaveras Nursery)
266081-02-5 (Calaveras Nursery)
264355-01-7 (Caltrans)
266084-02-9 (Color Spot Nursery)
272701-02-0 (Color Spot Nursery)
266069-02-0 (Crystal Springs Golf Course)
266078-02-1 (Dell Franklin)
266078-01-3 (Dells Nursery)
266084-01-1 (Hi-C Nursery)
272701-01-2 (Hi-C Nursery)
284112-01-8 (Hansen Aggregates)
266084-03-7 (Jeff Anhorn Nursery)
272701-03-8 (Jeff Anhorn Nursery)
266079-02-9 (Mission Valley Rock)
281043-01-8 (Mission Valley Rock)
267618-02-3 (Nagata Farms)
267618-01-5 (Nagata Farms)
266090-01-8 (Naka Nursery)

266091-01-6 (Naka Nursery)
 266090-02-6 (Naka Nursery)
 266091-02-4 (Naka Nursery)
 264315-02-9 (Pacific Nurseries)
 266076-01-7 (Sunol Christmas Tree Farm)
 266076-02-5 (Sunol Tree Farm)
 276095-01-5 (Sunol Valley Golf & Recreation)
 266077-02-3 (Ura Farm)
 264352-01-4 (Ura, John)
 266075-01-9 (Valley Crest)
 268276-01-1 (Valley Crest Nursery)
 266093-01-2 (Valley Crest Tree Company)
 268426-02-0 (Valley Crest Tree Company)
 266075-02-7 (Valley Crest Tree Company)
 266093-02-0 (Valley Crest Tree Company)
 268276-02-9 (Valley Crest Tree Company)
 266082-01-5 (Western Star Nursery)
 266089-01-0 (Western Star Nursery)
 267254-02-7 (Western Star Nursery)
 266082-02-3 (Western Star)
 266089-02-8 (Western Star)
 267254-03-5 (Western Star)

- (g) Raw water deliveries from Pilarcitos Reservoir and Crystal Springs Reservoir to Coastside County Water District as measured at the customer meters. These deliveries are considered positive for the purposes of Table 1. Currently, raw water deliveries to Coastside County Water District from both reservoirs are represented under account number 010027-01-9 contained in Form MGT441 prepared by the SFPUC's Customer Service Division:

- (h) Crystal Springs Balancing Reservoir. The flow into or out of the Crystal Springs Balancing Reservoir shall be calculated based on the changes in the amounts of water stored in the reservoir. The amounts of water stored shall be determined by the use of water level sensors, and the application of water level readings to a water level-storage capacity table. Decreases in storage, which indicate a flow from the Balancing Reservoir into the system, shall be deemed positive in sign. Increases in storage, which indicate a flow into the Balancing Reservoir from the system, shall be deemed negative in sign. Over the period of a year, the total flows into and out of Crystal Springs Balancing Reservoir are nearly equivalent. As such, total system input from Crystal Springs Reservoir shall be deemed zero for calculating current base rates.
- (i) Deliveries to Crystal Springs Reservoir as measured by the overflow weir at the Pulgas Pump Station. Deliveries from the system to Crystal Springs Reservoir (“spills”) shall be deemed negative in sign for the purpose of determining “Base system input.”
- (j) Terminal Reservoirs. The “terminal reservoirs” consist of Sunset Reservoir, University Mound Reservoir, and Merced Manor Reservoir, each located within the City of San Francisco. The flow into or out of the terminal reservoirs shall be calculated based on the changes in the amounts of water stored in them. The amounts of water stored shall be determined by the use of water level sensors, and the application of water levels to water level-storage capacity tables. Over the period of a year, the total flows into and out of terminal reservoirs are nearly equivalent. As such, total system input from the terminal reservoirs shall be deemed zero for calculating base rates.
- (k) Other Sources. Other sources of flow into, or from, the Regional Water System, shall be accounted for as “other sources.” Examples of other

sources of system input would include intertie water deliveries between the Regional System and the Santa Clara Valley Water District, and between the Regional System and the East Bay Municipal Utilities District, and deliveries of raw water from Crystal Springs Reservoir in the event of an emergency. Flows from the system shall be deemed negative in sign for the purpose of determining "Base system input."

- (13) "Total base system input" shall equal the sum of the system inputs from the sources described in paragraph B.1.12.
- (14) "Joint system loss reduction factor" shall equal "Total system base usage" divided by "Total base system input." "Joint system loss reduction factor" shall not exceed 1.0.
- (15) "Daly City reduction factor" shall equal "Net San Francisco base deliveries" divided by "Gross San Francisco County line base deliveries." "Daly City reduction factor" shall not exceed 1.0.
- (16) "Total suburban base deliveries" shall equal "Other suburban base deliveries" plus "Total wholesale base usage."
- (17) "Suburban reduction factor" shall equal "Wholesale base usage" divided by "Total suburban base deliveries." "Suburban reduction factor" shall not exceed 1.0.
- (18) "HHWPD Deliveries above Oakdale" shall equal the total amount of water delivered by the HHWPD to users located above the system input meters in Oakdale. Water users located above the system input meters in Oakdale are currently represented by Groveland Community Services District and the HHWPD facility at Moccasin.

- (19) “HH Reduction Factor” is calculated for the purpose of determining the Wholesale Customers’ share of the Hetch Hetchy Assessment. The factor shall equal a fraction, the numerator of which is the total system input measured at the Oakdale meters (Table 1, line 12.a) and the denominator of which is the sum of the total system input measured at the Oakdale meters (Table 1, line 12.a) plus the total “HHWPD deliveries above Oakdale” (Table 1, line 18).

SECTION C.

DATA REQUIREMENTS AND SCHEDULE

1. Collection and Dissemination of Data

The SFPUC presently compiles daily flow data for the County-line meters, System Input and In-Line Meters, and daily reservoir water level data, and provides copies of that data to the Wholesale Customers (through BAWSCA) on a monthly basis. The SFPUC also provides copies of wholesale “Suburban Resale” and City Retail water usage data to BAWSCA on a monthly basis. Additionally, the SFPUC provides BAWSCA access to flow data for the meters as reported and recorded by the SFPUC’s SCADA system.

The SFPUC shall continue to provide the flow and water usage data described above to BAWSCA on a monthly basis, and shall continue to allow BAWSCA access to the SCADA system data, so that a coordinated effort between the SFPUC and BAWSCA will allow for updating Table 1 of this Attachment annually on a timely basis.

It shall continue to be the SFPUC’s responsibility to compile the data necessary to update Table 1 of this Attachment annually and the City shall deliver to BAWSCA, for review and approval, copies of the updated Table 1 by September 15 for the fiscal year ending the preceding June 30, as shown by the schedule contained in Section C.3.

Upon reasonable notice to the General Manager of the SFPUC, BAWSCA shall be given access to all water flow and usage records compiled by the SFPUC, including raw data, at reasonable times during business hours and shall have the right to copy such records and data at its expense.

2. Lack of Data

The parties recognize that, because of human error, mechanical failure, or other unplanned events, portions of the data required for the calculation of the usage rates and ratios described in Sections B and C of this Attachment occasionally may be unavailable or incorrect. In the event that such data are unavailable or inaccurate, the SFPUC shall make a reasonable estimate of the unavailable or incorrect data or use the most accurate alternative data that are available, and substitute the estimate therefor.

If the SFPUC uses an estimate of the unavailable or inaccurate data or alternative data, it shall provide BAWSCA with the following:

- (1) a description of the unavailable or inaccurate data and the estimation or substitution of data used therefor;
- (2) an explanation of the cause of the missing or inaccurate data and the reasons underlying the SFPUC's estimation or substitution of alternate data; and
- (3) a statement of how the error or malfunction that caused the unavailability or inaccuracy of the data will be avoided in the future.

The SFPUC shall provide this information to BAWSCA upon calculation by the SFPUC of the usage rates and ratios described in this Attachment for the fiscal year in question.

3. Schedule for Completing the Annual Calculations of Water Usage Rates

The parties recognize the importance of updating Table 1 of this Attachment annually in a timely manner, and that historically, doing so has required a coordinated effort between the SFPUC and BAWSCA. To assure timely completion of the annual calculations of water usage rates and ratios, the parties agree to adhere to the following schedule.

(1) By August 15: The SFPUC shall forward to BAWSCA all data for the fiscal year ending the preceding June 30, necessary to make a determination of the base water usage and base allocation rates for the Wholesale Customers and the City.

(2) By September 15. The City shall deliver to BAWSCA, for review and approval, draft copies of the updated Table 1 for the fiscal year ending the preceding June 30.

(3) Between September 15 and October 15. The SFPUC and BAWSCA shall reconcile any discrepancies or inaccuracies in the draft calculations of water usage rates and shall reach agreement on a final updated Table 1 for the fiscal year ending the preceding June 30.

(4) By November 1. The SFPUC shall deliver to BAWSCA a finalized updated Table 1, signed by the SFPUC General Manager, or appropriate designee, representing the water usage rates agreed upon by the SFPUC and BAWSCA, for the fiscal year ended June 30.

(5) By November 15. BAWSCA shall return the finalized Table 1 to the SFPUC, counter-signed by the BAWSCA General Manager/CEO. If the SFPUC does not receive the countersigned Table 1 from BAWSCA by November 15, it may use the water use data as contained in the Table 1 delivered pursuant to paragraph (4) above, subject to arbitration as provided in section 8.01 of the Agreement.

SECTION D. COUNTY LINE AND IN-CITY TERMINAL RESERVOIR METER CALIBRATION AND MAINTENANCE

1. General

This section refers only to the County-Line and In-City Terminal Reservoir Meters. The term “meter(s)” includes the primary meter itself (most of the primary meters in the SFPUC’s water system are Venturi-type flow meters) as well as any and all of the associated equipment used to measure, record, and transmit flow and water level data. The metering equipment associated with the primary metering device (also referred to as the secondary metering equipment) includes differential pressure transmitters, recorders, telecommunications equipment and the portion of the SFPUC’s Supervisory Control and Data Acquisition (SCADA) System that is used to transmit flow and water level measurements from the water meter to the computer terminal that records the measured data.

The County-Line and In-City Terminal Reservoir meters, their general locations, and their associated metering equipment are listed in Table 4.

2. Frequency and Type of Work to be Performed

The meters, water level sensors, and associated metering equipment are to be inspected, tested, calibrated, and maintained according to the applicable meter calibration and maintenance frequency specified in Table 5.

3. Components of the Calibration and Maintenance Work

The SFPUC will contract with an independent metering consultant to perform periodic inspections, testing, servicing and calibrations of the meters and metering equipment for the County-line meters and In-City Terminal Reservoirs. The metering consultant's calibration and maintenance work will include the following components:

- Annual Pitot Tube Tests: Pitot tube flow tests shall be performed once a year on all Venturi-type flow meters. See Sections 4.b and 4.c for further detail.
- Quarterly Secondary Meter Equipment Testing and Calibration: The secondary metering equipment shall be tested for accuracy and calibrated quarterly at five input levels (0%, 25%, 50%, 75% and 100% of the full range of flow). See Section 4.a for further detail.
- Cleaning: Clean and remove dust, oils, dirt, etc. from all instruments.
- Flushing: Flush and clean Venturi tube differential pressure (D/P) sensing lines.
- Inspecting: Inspections for mechanical fatigue, leaky pipes and fittings, worn parts, and improper operation of electrical/electronic equipment.
- Lubrication: Mechanical parts shall be lubricated as needed.

4. Calibration Procedures

The metering consultant shall continue to calibrate and maintain the County-line meters and metering equipment listed in Table 4 in accordance with the frequency of work specified in Table 5. The work includes documenting meter readings and accuracy before and after calibration. Specific tasks to be completed by the metering consultant are as follows:

- a) Quarterly testing and calibration. The secondary metering equipment shall be tested and calibrated quarterly using NIST Traceable test equipment, and a "dead weight tester."

The system loop error for the secondary metering equipment is determined by connecting its output to the differential pressure transmitter and adjusting the dead weight tester to 5 places over the full range of flow: 0%, 25%, 50%, 75% and 100%, while all instruments in the loop are connected. For water level transmitters, provide simulated test head equal to full range of the transmitter being calibrated, comparing the simulated test head to its 4-20 milliamp output signal to determine transmitter error and calibration requirements. The system loop error for the secondary metering equipment may not exceed $\pm 2\%$. The individual components of the secondary metering equipment shall also be tested at the same 5 input levels and calibrated as necessary to ensure the error of the system and individual components does not exceed $\pm 2\%$.

- b) Annual Pitot Tube Testing and Calibration. Annual Pitot tube testing shall be conducted for a comparison of flow totalized by the Pitot tube test equipment and the totalizer used by the SFPUC for water measurement and billing purposes. Annual Pitot tube flow testing shall be performed on all flow meters for assessment of Venturi error using the Annubar continuous flow method at 22% of the pipe radius. Pitot tube flow testing must be conducted continuously for a minimum of 30 minutes per test.

The Pitot tube flow tests are first performed before any of the secondary metering instruments are calibrated to determine the total system error (system consisting of the primary metering device and secondary metering equipment). Once the total system loop error has been established, perform secondary loop instrument testing and calibration as per the quarterly testing and calibration procedures described in 4.a above. If the total system error exceeds $\pm 2\%$ after calibration of the secondary metering equipment, minor adjustments to the differential pressure transmitter shall be made to correct (calibrate) the error in the Venturi meter. Repeat Pitot tube testing must be performed after the individual instrument calibration and differential pressure transmitter adjustments have been performed to establish that total system loop error is within $\pm 2\%$.

- c) Pitot tube testing shall be conducted at a flow rate representing the typical flow for the meter (and, if operationally possible, at three different flows ranging from a minimum to near maximum capacity flow).
- d) The metering consultant shall perform the meter testing and calibration procedures utilizing the meter characteristic curves (for example, the pressure drop vs. flow for a Venturi meter) that have been obtained during previous meter calibration and maintenance work.
- e) During each quarterly site visit, the metering consultant shall inspect, assess and document the condition of all metering equipment, including meter, gauges, indicators, recorders, transmitters and other instrumentation, used in the measurement and recording of flow rates and cumulative flow totals and shall document all operational problems with the calibration instruments and meters during the calibration process. Problems may include air entrainment, leakage, flow disturbance and unstable meter readings.
- f) Prior to each quarterly site visit, the metering consultant shall review prior calibration records and reports for each meter to determine if previously-identified errors or equipment deficiencies were corrected as previously recommended.
- g) Each quarter, the metering consultant shall submit a final report (See Section 6) containing all of the calibration results for each meter tested and calibrated during the quarter. The metering consultant's report shall include a narrative description of the work conducted on each meter and meter calibration reports for the individual metering equipment. The quarterly report shall also address deficiencies that were not previously corrected according to the recommendations made in the prior report.

5. Calibration Instruments

The instrument used for flow testing of the primary meter (Venturi) must meet the accuracy standards required by the American Water Works Association (AWWA), and be

capable of measuring actual flows with an error of less than +/- 2%. If a particular calibration instrument is not rated for accuracy by the AWWA, its accuracy will be determined by reference to its manufacturer's representations as to accuracy.

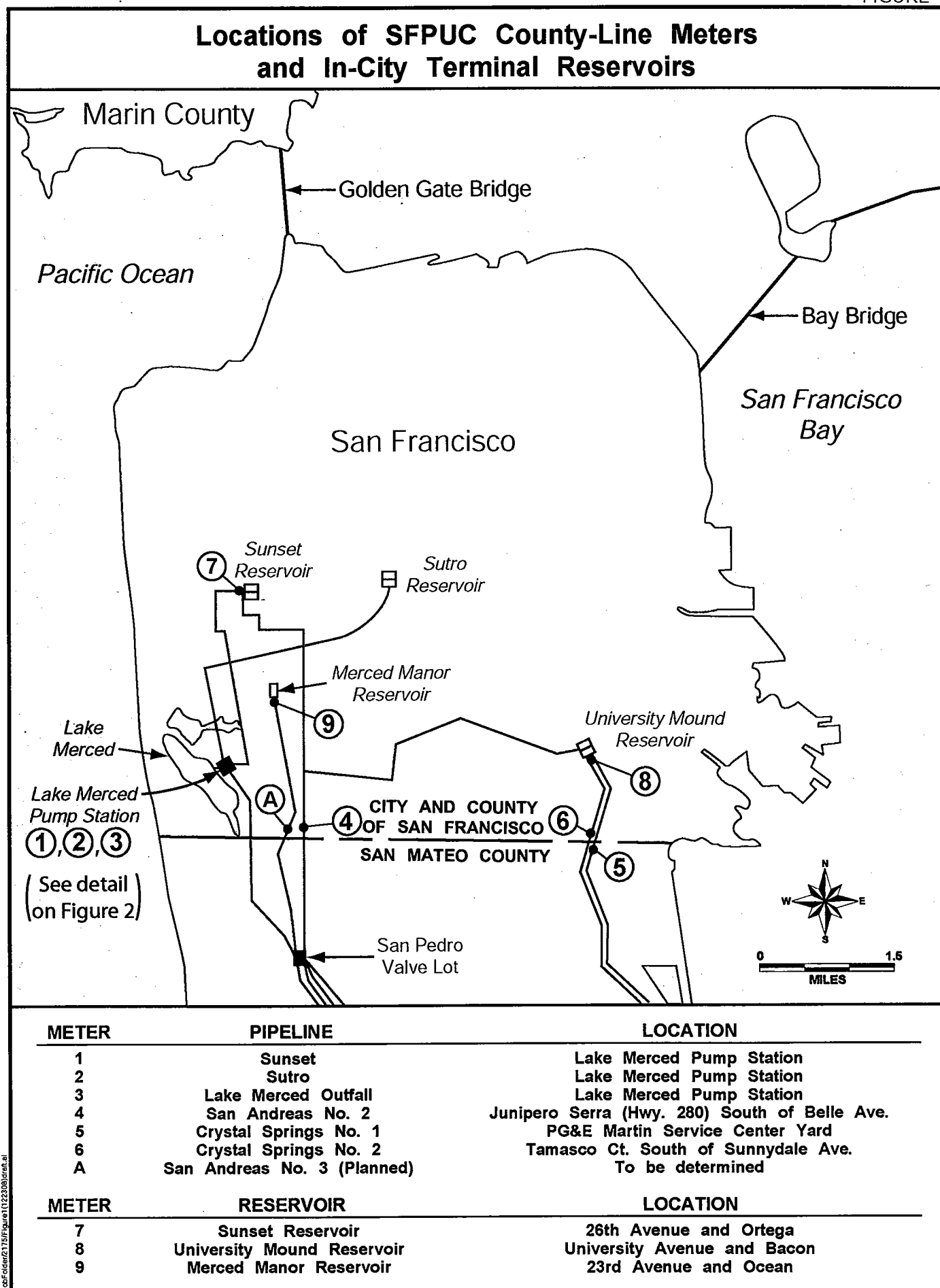
6. Calibration Reports

Within fourteen (14) working days after the beginning of each quarter, the metering consultant shall submit a written progress report of the work performed during the previous quarter. Each quarterly report will describe the results of the meter calibrations and any other tasks performed. The report will also include comments regarding any observations of abnormal conditions and any recommendations regarding these meters and their related equipment.

The reports must include complete descriptions and status of meters and related equipment, dates and times of service, all calibration specifics, pipeline dimensions, range of flow rates and totalized volumes, before and after error analysis and accuracy levels achieved, testing equipment used, and the name(s) of the person(s) that performed the work.

When appropriate and necessary, the metering consultant shall provide recommendations for improving the accuracy and reliability of the equipment and/or the methods of data collection. If, in the opinion of the metering consultant, the condition of a meter or its associated metering equipment is found to be defective, damaged, or otherwise in need of immediate repair or replacement, the metering consultant shall: 1) promptly notify the appropriate SFPUC personnel of the problem and recommend a solution to the problem so that the SFPUC can determine how to address it and, 2) include the problem description in its quarterly report.

FIGURE 1



Generalized Schematic of Lake Merced Pump Station

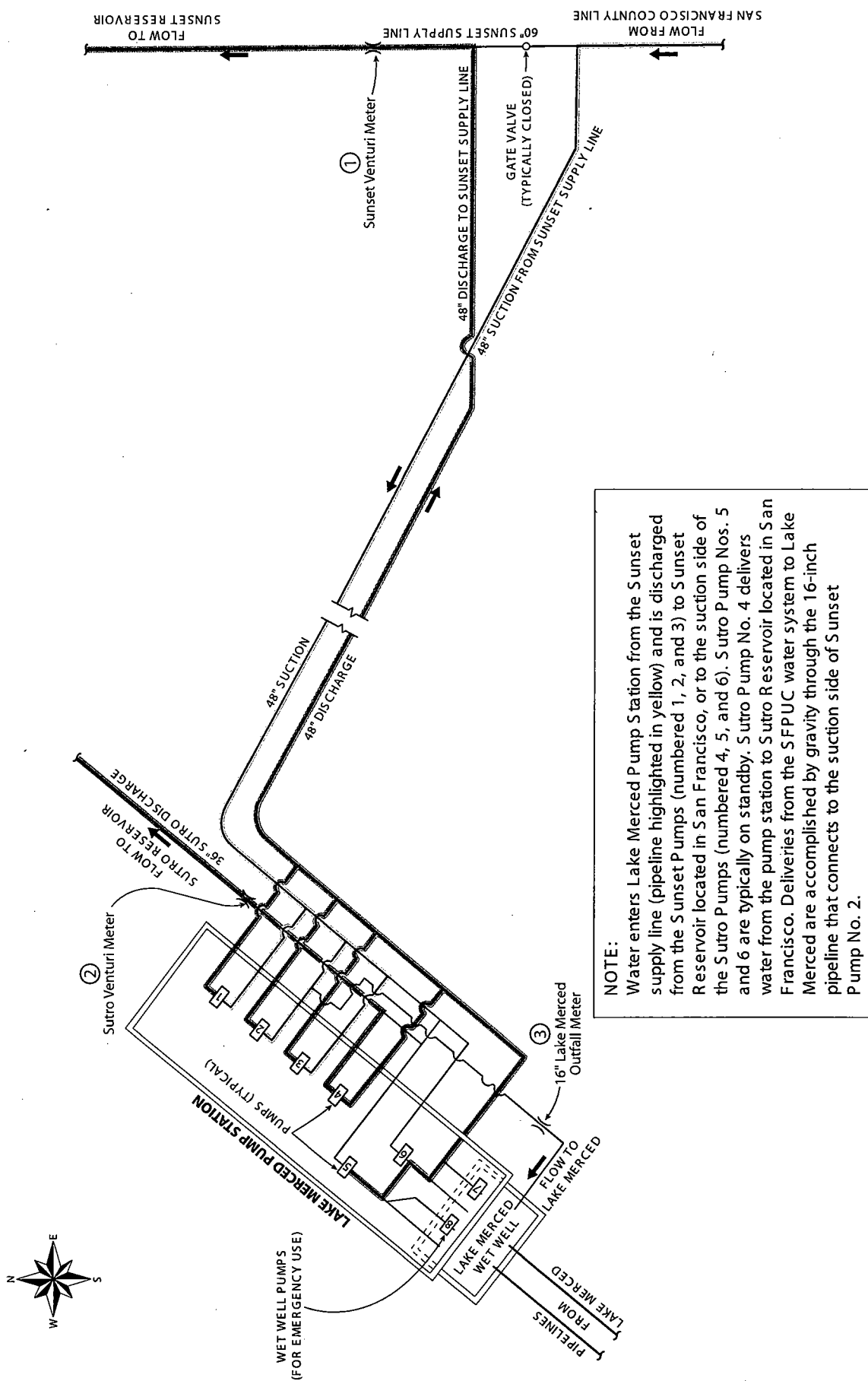


FIGURE 3

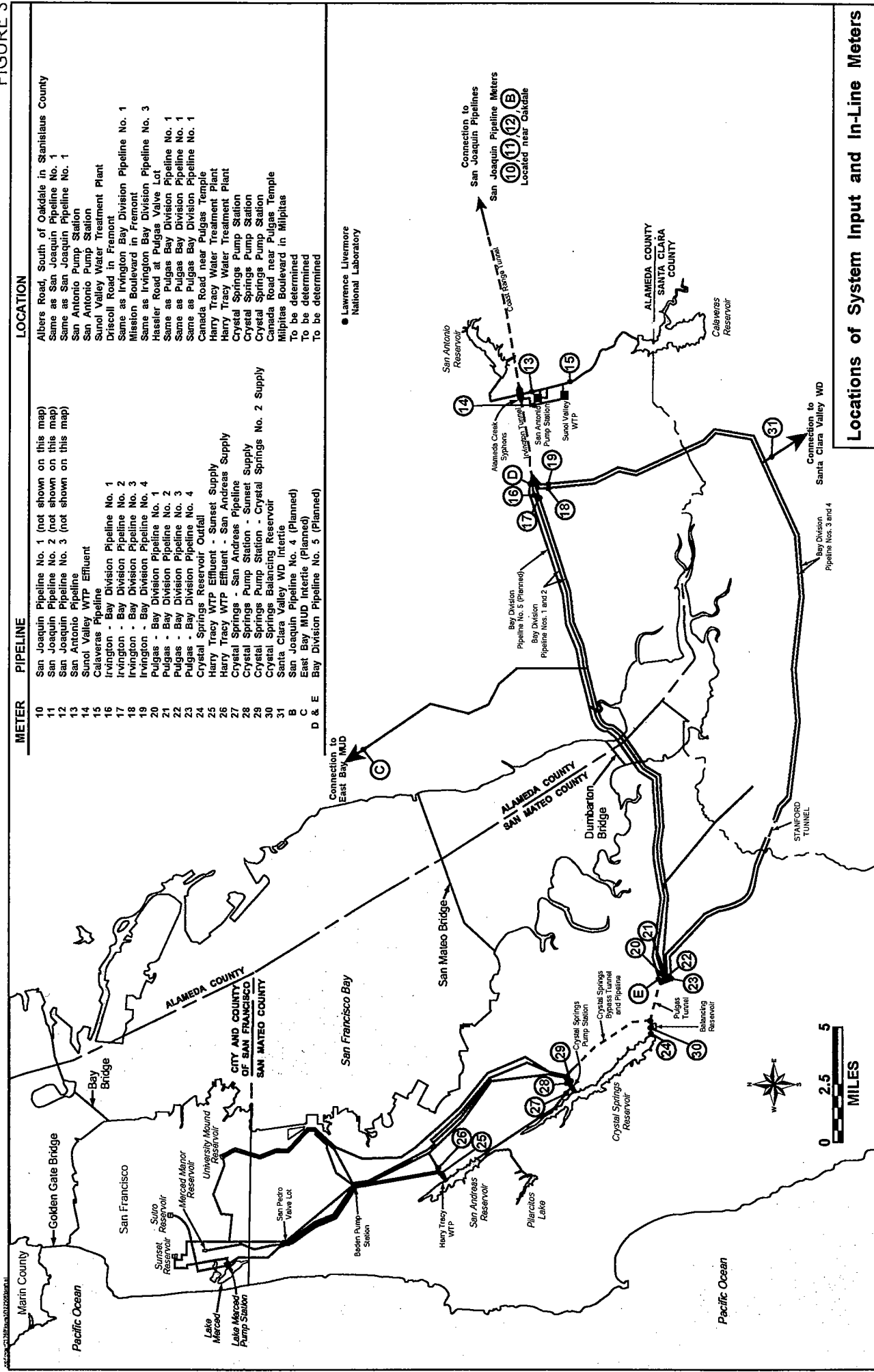


Table 1
Base Usage (mgd) and Allocation Rates

(1) Usage	(2) Definition	(3) 2004-05	(4) 2005-06	(5) 2006-07	(6) 2007-08	(7) 2008-09	(8) 2009-10
1. Gross S.F. Co. line	B.1	79.5	78.3	75.7			
2. Daly City portion	B.2	0.2	0.2	0.2			
3. Net S.F.	(1-2)	79.3	78.1	75.5			
4. Other suburban raw water	B.4	0.4	0.5	0.7			
5. Other suburban treated water	B.5	4.1	3.4	3.9			
6. Total other suburban	(4+5)	4.5	3.9	4.6			
7. Total City usage	(3+6)	83.8	82.0	80.1			
8. Total wholesale usage	B.8	167.4	164.4	175.8			
9. Total system usage	(7+8)	251.2	246.4	255.9			
10. Wholesale alloc. rate	(8/9)	66.63%	66.72%	68.70%			
11. City alloc. rate	(100%-10)	33.37%	33.28%	31.30%			
12a. HHWPD input (Oakdale)	B.12	194.7	202.6	227.3			
12b. Deliveries to LLNL	B.12	-0.4	-0.9	-0.9			
12c. HH to San Ant. Res.	B.12	-3.8	-1.8	-11.6			
12d. Sunol Valley WTP	B.12	28.5	29.4	17.6			
12e. Harry Tracy WTP	B.12	45.2	40.4	41.2			
12f. Raw water deliveries	B.12	0.4	0.4	0.7			
12g. Deliveries to Coastside Co. WD	B.12	1.8	1.6	2.1			
12h. Crys. Sprs. Bal. Res.	B.12	0.0	0.0	0.0			
12i. Spill to CS Res.	B.12	-19.9	-42.6	-37.1			
12j. Terminal Reservoirs	B.12	0.0	0.0	0.0			
12k. Other sources	B.12	0.0	1.9	3.8			
13. Total system input	B.13	246.5	231.0	243.1			
14. Jt. sys. loss red. fact.	(9/13)	1.0000	1.0000	1.0000			
15. Daly City red. factor	(3/1)	0.9975	0.9974	0.9974			
16. Total suburban	(6+8)	171.9	168.3	180.4			
17. Suburban red. factor	(8/16)	0.9736	0.9768	0.9745			
18. HHWPD Deliveries above Oakdale	B.18						
19. HH Reduction Factor	B.19	99.56%					

Table 2
Locations of SFPUC County-Line Meters and In-City Terminal Reservoirs

County-Line Meters

<u>Meter</u>	<u>Pipeline</u>	<u>Location</u>
1	Sunset	Lake Merced Pump Station
2	Sutro	Lake Merced Pump Station
3	Lake Merced Outfall	Lake Merced Pump Station
4	San Andreas No. 2	Junipero Serra (Hwy. 280) South of Belle Ave.
5	Crystal Springs No. 1	PG&E Martin Service Center Yard
6	Crystal Springs No. 2	Tamasco Ct. South of Sunnydale Ave.
A	San Andreas No. 3 (Planned)	To be determined

In-City Terminal Reservoirs

<u>Meter</u>	<u>Reservoir</u>	<u>Location</u>
7	Sunset Reservoir	26 th Avenue and Ortega
8	University Mound Reservoir	University Avenue and Bacon
9	Merced Manor Reservoir	23 rd Avenue and Ocean

Table 3
Locations of SFPUC System Input and In-Line Meters

<u>Meter</u>	<u>Pipeline</u>	<u>Location</u>
10	San Joaquin Pipeline No. 1	Albers Road, South of Oakdale in Stanislaus County
11	San Joaquin Pipeline No. 2	Same as San Joaquin Pipeline No. 1
12	San Joaquin Pipeline No. 3	Same as San Joaquin Pipeline No. 1
13	San Antonio Pipeline	San Antonio Pump Station
14	Sunol Valley WTP Effluent	San Antonio Pump Station
15	Calaveras Pipeline	Sunol Valley Water Treatment Plant
16	Irvington – Bay Division Pipeline No. 1	Driscoll Road in Fremont
17	Irvington – Bay Division Pipeline No. 2	Same as Irvington Bay Division Pipeline No.1
18	Irvington – Bay Division Pipeline No. 3	Mission Boulevard in Fremont
19	Irvington – Bay Division Pipeline No. 4	Same as Irvington Bay Division Pipeline No.3
20	Pulgas – Bay Division Pipeline No. 1	Hassler Road at Pulgas Valve Lot
21	Pulgas – Bay Division Pipeline No. 2	Same as Pulgas Bay Division Pipeline No. 1
22	Pulgas – Bay Division Pipeline No. 3	Same as Pulgas Bay Division Pipeline No. 1
23	Pulgas – Bay Division Pipeline No. 4	Same as Pulgas Bay Division Pipeline No. 1
24	Crystal Springs Reservoir Outfall	Canada Road near Pulgas Temple
25	Harry Tracy WTP Effluent – Sunset Supply	Harry Tracy Water Treatment Plant
26	Harry Tracy WTP Effluent – San Andreas Supply	Harry Tracy Water Treatment Plant
27	Crystal Springs – San Andreas Pipeline	Crystal Springs Pump Station
28	Crystal Springs Pump Station – Sunset Supply	Crystal Springs Pump Station
29	Crystal Springs Pump Station – Crystal Springs No. 2 Supply	Crystal Springs Pump Station
30	Crystal Springs Balancing Reservoir	Canada Road near Pulgas Temple
31	Santa Clara Valley WD Intertie	Milpitas Boulevard in Milpitas
B	San Joaquin Pipeline No. 4 (Planned)	To be determined
C	East Bay MUD Intertie (Planned)	To be determined
D&E	Bay Division Pipeline No. 5 (Planned)	To be determined

TABLE 4
SFPUC COUNTY-LINE METERS, IN-CITY TERMINAL RESERVOIRS,
AND ASSOCIATED METERING EQUIPMENT

County-Line Meter	Meter Type	Location
1. Sunset	60" Venturi	Lake Merced Pump Station
Associated Metering Equipment:	<ul style="list-style-type: none">• Rosemount D/P transmitter• Honeywell recorder• SCADA	
2. Sutro	36" Venturi	Lake Merced Pump Station
Associated Metering Equipment:	<ul style="list-style-type: none">• Rosemount D/P transmitter• Honeywell recorder• SCADA	
3. Lake Merced Outfall	16" Mag. Meter	Lake Merced Pump Station
Associated Metering Equipment:	<ul style="list-style-type: none">• Honeywell recorder• SCADA	
4. San Andreas No. 2	36" Venturi	Junipero Serra (Hwy. 280) south of Belle Avenue
Associated Metering Equipment:	<ul style="list-style-type: none">• Yokogawa D/P transmitter• NLS display• AGM electronics• Honeywell recorder• SCADA	
5. Crystal Springs No. 1	44" Venturi	PG&E Martin Service Center Yard
Associated Metering Equipment:	<ul style="list-style-type: none">• Yokogawa D/P transmitter• NLS display• AGM electronics• Honeywell recorder• SCADA	
6. Crystal Springs No. 2	60" Venturi	Tamasco Ct. south of Sunnydale Avenue
Associated Metering Equipment:	<ul style="list-style-type: none">• Yokogawa D/P transmitter• NLS display• AGM electronics• SCADA	
In-City Terminal Reservoirs		
1. Sunset	Pressure Transducer	26 th Avenue and Ortega
Associated Metering Equipment:	<ul style="list-style-type: none">• Honeywell recorder• SCADA	
2. Merced-Manor	Pressure Transducer	23 rd Avenue and Ocean
Associated Metering Equipment:	<ul style="list-style-type: none">• Honeywell recorder• SCADA	
3. University Mound	Pressure Transducer	University Avenue and Bacon
Associated Metering Equipment:	<ul style="list-style-type: none">• Honeywell recorder• SCADA	

TABLE 5
METER CALIBRATION AND MAINTENANCE FREQUENCY

METER/ EQUIPMENT	FREQUENCY			WORK TO BE PERFORMED (See Work Codes Listed Below)					
	Quarterly	Semi- Annual	Annual	CA	CL	FL	IN	LU	PT
Venturi Meters			X	X		X (1)	X (1)		X
Magnetic Meters		X		X (2)	X (2)		X (2)		
Yokagawa D/P Transmitters	X			X	X	X	X		
Rosemount D/P Transmitters	X			X	X	X	X		
Honeywell Recorders	X			X	X		X		
Water Level Sensors (Pressure Transducers)	X			X	X		X		
SCADA Electronics	X			X					
AGM Electronics	X			X					
NLS Digital Displays	X			X					
Electrostatic 24V DC Power Supplies			X				X (3)		
ASCO Solenoids			X		X		X (4)	X	

WORK CODES:

CA = CALIBRATE; CL = CLEAN; FL = FLUSH; IN = INSPECT; LU = LUBRICATE; PT = PITOT TUBE TEST.

NOTES:

- (1) Inspection and flushing requirements for Venturi meters refer to the pressure tubing from the meter to the differential pressure transmitter.
- (2) May calibrate using clamp-on meter where conditions allow. Inspection and cleaning requirements for magnetic meters refer to the sensors or probes that are inserted through the pipe wall.
- (3) Adjust voltage if necessary.
- (4) Replace rubber ware as needed.

ATTACHMENT K-1
WHOLESALE CUSTOMERS' SHARE OF NET BOOK VALUE OF EXISTING ASSETS
****PRELIMINARY - TO BE SUBSTITUTED WITH FINAL 6/30/09 VALUES****
(Section 5.03)

	Notes	Projected Value		
		Water	Hetch Hetchy	Total
Regional System Net Plant as of 6/30/08 (Actual)	1	\$ 435,639,907	\$ 66,135,724	
Less: Projected Depreciation on Regional Assets	2	\$ (32,526,143)	\$ (3,598,189)	
Plus: Projected FY 2008-09 Capital Additions	3	\$ 62,771,153	\$ -	
Projected Regional System Net Plant as of 6/30/09		\$ 465,884,917	\$ 62,537,535	
Plus: Projected Construction Work In Progress (CWIP) as of 6/30/09	4	\$ 16,928,503	\$ 5,807,023	
Projected Regional System Net Plant and CWIP as of 6/30/09		\$ 482,813,420	\$ 68,344,558	\$ 551,157,978
Allocation Factor:	5	70.1%	64.2%	
Wholesale Share of Projected Regional System Net Plant as of 6/30/09		\$ 326,585,327	\$ 40,149,098	\$ 366,734,424
Plus: Wholesale Share of Projected CWIP as of 6/30/09	6	\$ 11,866,881	\$ 3,728,109	\$ 15,594,989
Wholesale Share of Projected Net Plant and CWIP as 6/30/09		\$ 338,452,207	\$ 43,877,206	\$ 382,329,414
Interest Rate:		5.13%	5.13%	
Term (Yrs):		25	25	
Monthly Principal & Interest		\$ 2,004,277	\$ 259,836	\$ 2,264,113
Annual Wholesale Revenue Requirement Amount		\$ 24,051,326	\$ 3,118,033	\$ 27,169,359

Notes

- 1 FAACS 120A Report as of 6/30/08
- 2 SFPUC Estimate
- 3 SFPUC Estimate based on projects and amounts as follows:

	<u>Water Assets</u>
CUW358 Sunset Reservoir (North Basin)	\$ 57,382,744
CUW 365 Cross Connection Controls	\$ 3,679,415
CUW 394 Watershed Land Acquisition	\$ 1,708,994
Total Additions	\$ 62,771,153
4 CWIP based on balance as 6/30/08 plus YTD expenditures (see Attachment K-2)	
5 Fixed allocation factors based on dollar weighted 5-year average of J-Table allocation factors (2003-04 through 2007-08)	
6 Wholesale share CWIP based on balance as 6/30/08 plus YTD expenditures (see Attachment K-2)	

ATTACHMENT K-2
WHOLESALE CUSTOMERS' SHARE OF THE BOOK VALUE OF REVENUE FUNDED CAPITAL EXPENDITURES
****PRELIMINARY - TO BE SUBSTITUTED WITH FINAL 6/30/09 VALUES****
(Section 5.03)

[1] Project No.	[2] Project Description	[3] Rate Class	[4] CWIP as of 6/30/08	[5] FY 2008-09 Expenditures	[6] Reduction for 02A Funding	[7] CWIP as 6/30/09	[8] Water Related CWIP	[9] Wholesale Share
A. Water Enterprise								
1 Regional Projects								
CUW352	Alameda Creek Fishery	Joint	\$ 2,007,607	\$ 224,582	\$ 2,232,189	\$ -	\$ -	\$ -
CUW353	Seismic Upgrade @ Hayward Fault	Joint	\$ 3,129,234	\$ 1,967,625	\$ 5,096,859	\$ -	\$ -	\$ -
CUW354	LOWER CRYSTAL SPRINGS DAM-REV-SFWD	Joint	\$ 7,046,944	\$ 1,086,262	\$ 8,133,206	\$ -	\$ -	\$ -
CUW355	STANDBY POWER FACILITIES	Joint	\$ 3,715,276	\$ 6,596,849	\$ 10,312,125	\$ -	\$ -	\$ -
CUW357	Adit Leak Repairs	Joint	\$ 783	\$ 1,129	\$ 1,912	\$ -	\$ -	\$ -
CUW359	Irvington Tunnel	Joint	\$ 21,391,129	\$ 5,176,713	\$ 26,567,842	\$ -	\$ -	\$ -
CUW359		Joint	\$ 7,837,176	\$ -	\$ 7,837,176	\$ -	\$ -	\$ -
CUW361		Joint	\$ 368,057	\$ 1,383,959	\$ 1,752,016	\$ -	\$ -	\$ -
CUW361		Joint	\$ 1,255,545	\$ -	\$ 1,255,545	\$ -	\$ -	\$ -
CUW361	Pulgas Balancing Reservoir	Joint	\$ 1,248,002	\$ -	\$ 1,248,002	\$ -	\$ -	\$ -
CUW361		Joint	\$ 570,179	\$ -	\$ 570,179	\$ -	\$ -	\$ -
CUW361		Joint	\$ 712,921	\$ -	\$ 712,921	\$ -	\$ -	\$ -
CUW363	SCADA Phase II	Joint	\$ 1,335,371	\$ 1,738,045	\$ 3,073,416	\$ -	\$ -	\$ -
CUW363		Joint	\$ 1,062,050	\$ -	\$ 1,062,050	\$ -	\$ -	\$ -
CUW365	Cross Connection Control	Joint	\$ 3,635,172	\$ 547,801	\$ 4,182,973	\$ -	\$ -	\$ -
CUW367	HTWTP LT Impr	Joint	\$ 8,011,348	\$ 2,479,731	\$ 10,491,079	\$ -	\$ -	\$ -
CUW368		Joint	\$ 23,640,601	\$ -	\$ 23,640,601	\$ -	\$ -	\$ -
CUW368	BDPL Hydraulic Capacity	Joint	\$ 17,556,905	\$ 4,200,442	\$ 21,757,347	\$ -	\$ -	\$ -
CUW368		Joint	\$ 2,579,847	\$ -	\$ 2,579,847	\$ -	\$ -	\$ -
CUW370	Pipeline Readiness	Joint	\$ 5,320,934	\$ 328,070	\$ 5,649,004	\$ -	\$ -	\$ -
CUW371	CSPS and Pipeline	Joint	\$ 11,420,770	\$ 3,872,779	\$ 15,293,549	\$ -	\$ -	\$ -
CUW372	University Mound (N)	Joint	\$ 4,624,981	\$ 1,068,147	\$ 5,693,128	\$ -	\$ -	\$ -
CUW373		Joint	\$ 19,479,341	\$ 6,023,849	\$ 25,503,190	\$ -	\$ -	\$ -
CUW373	SIPL	Joint	\$ 7,199,051	\$ -	\$ 7,199,051	\$ -	\$ -	\$ -
CUW374		Joint	\$ 31,171,669	\$ 4,314,430	\$ 35,486,099	\$ -	\$ -	\$ -
CUW374	Calaveras Dam	Joint	\$ 2,366,343	\$ -	\$ 2,366,343	\$ -	\$ -	\$ -
CUW378	C SPL #2	Joint	\$ 7,453,098	\$ 913,369	\$ 8,366,467	\$ -	\$ -	\$ -
CUW379	SAPL #3	Joint	\$ 5,728,934	\$ 588,346	\$ 6,317,280	\$ -	\$ -	\$ -
CUW380	BDPK #3&4 Crossovers	Joint	\$ 3,855,357	\$ 1,083,888	\$ 4,939,245	\$ -	\$ -	\$ -
CUW381		Joint	\$ 5,450,995	\$ -	\$ 5,450,995	\$ -	\$ -	\$ -
CUW381	SVWTP Expansion	Joint	\$ 53,222	\$ 3,090,520	\$ 3,143,742	\$ -	\$ -	\$ -
CUW381		Joint	\$ 97,373	\$ -	\$ 97,373	\$ -	\$ -	\$ -
CUW382	SVWTP Treated Water Reservoir	Joint	\$ 5,799,505	\$ 575	\$ 5,800,080	\$ -	\$ -	\$ -
CUW384	Tesla	Joint	\$ 6,102,621	\$ 7,444,942	\$ 13,547,563	\$ -	\$ -	\$ -
CUW386	SAPS X-CONNECT & PUMP IMP 96A UEB	Joint	\$ 1,374,491	\$ 971,625	\$ 2,346,116	\$ -	\$ -	\$ -
CUW388		Joint	\$ 896,476	\$ 1,641,717	\$ 2,538,193	\$ -	\$ -	\$ -
CUW388	PEIR	Joint	\$ 1,331,676	\$ -	\$ 1,331,676	\$ -	\$ -	\$ -
CUW390	Desalination Pilot	Joint	\$ 175,165	\$ -	\$ 175,165	\$ -	\$ -	\$ -
CUW391	Baden/San Pedro Valve Lots	Joint	\$ 3,964,642	\$ 948,589	\$ 4,913,231	\$ -	\$ -	\$ -
CUW392	Program Management	Joint	\$ 2,452,297	\$ 5,081,444	\$ 7,533,741	\$ -	\$ -	\$ -
CUW393	BDPL #4 Condition Assessment	Joint	\$ 25,071	\$ 294,634	\$ 319,705	\$ -	\$ -	\$ -
CUW394	Watershed Environment Improvement	Joint	\$ 142,924	\$ 96,027	\$ 238,951	\$ -	\$ -	\$ -
CUW101	SAN ANDREAS PLANT EXPANSION #1	Joint	\$ 182	\$ 96,027	\$ -	\$ 96,209	\$ -	\$ 67,443
CUW111	LOWER CRYSTAL SPRINGS DAM-REV-SFWD	Joint	\$ 40,436	\$ -	\$ -	\$ 40,436	\$ -	\$ 28,346
CUW151	Baden PS	Joint	\$ 921	\$ 26,760	\$ 27,681	\$ -	\$ -	\$ 19,404
CUW161	Water Treatment Facilities	Joint	\$ 75,801	\$ 605	\$ 76,406	\$ -	\$ -	\$ 53,561
CUW178	SAPS X-CONNECT & PUMP IMP 96A UEB	Joint	\$ 104,902	\$ -	\$ 104,902	\$ -	\$ -	\$ 73,536
CUW202		Joint	\$ 50,808	\$ -	\$ 50,808	\$ -	\$ -	\$ 35,616
CUW202	Replace PCCP	Joint	\$ 285,003	\$ 64,256	\$ 349,259	\$ -	\$ -	\$ 244,831
CUW202		Joint	\$ 2,365	\$ -	\$ 2,365	\$ -	\$ -	\$ 1,658
CUW127	SCADA	Joint	\$ 50,029	\$ 2,481,274	\$ 2,531,303	\$ -	\$ -	\$ 1,774,443
CUW356	New Crystal Springs Bypass Tunnel	Joint	\$ 13,992,264	\$ 5,560,862	\$ 16,028,397	\$ 3,524,729	\$ -	\$ 2,470,835
CUW358	Sunset (N)	Joint	\$ 52,494,764	\$ 4,887,980	\$ 55,806,081	\$ 1,576,663	\$ -	\$ 1,105,241
CUW387	Tesla Portal Disinfection	Joint	\$ 2,377,262	\$ (1,996)	\$ 1,223,945	\$ 1,151,321	\$ -	\$ 807,076
CUW135		Joint	\$ 45,413	\$ -	\$ 45,413	\$ -	\$ -	\$ 31,835
CUW135	New Lines and Bypass Valves	Joint	\$ 153,983	\$ 620,156	\$ 774,139	\$ -	\$ -	\$ 542,671
CUW135		Joint	\$ 8,860	\$ -	\$ 8,860	\$ -	\$ -	\$ 6,211
CUW143		Joint	\$ 5,656	\$ -	\$ 5,656	\$ -	\$ -	\$ 3,965
CUW143	HH Water Treatment Plan	Joint	\$ 709,972	\$ 8,817	\$ 718,789	\$ -	\$ -	\$ 503,871
CUW143		Joint	\$ 96,292	\$ -	\$ 96,292	\$ -	\$ -	\$ 67,501
CUW186	SVWTP IMPROVEMENT PROJECT-CPB-SFWD	Joint	\$ 3,604	\$ -	\$ 3,604	\$ -	\$ -	\$ 2,526
CUW206		Joint	\$ 4,365	\$ -	\$ 4,365	\$ -	\$ -	\$ 3,060
CUW206	Tesla Portal/Thomas Shaft Emergency Disinfection	Joint	\$ 283,620	\$ 5,665	\$ 289,285	\$ -	\$ -	\$ 202,789
CUW206		Joint	\$ 227,004	\$ -	\$ 227,004	\$ -	\$ -	\$ 159,130
CUW231	Millbrae Labs	Joint	\$ 81,856	\$ 34,685	\$ 116,541	\$ -	\$ -	\$ 81,695
CUW236	TELSA/SJVH WQ MONITORING IMPR	Joint	\$ 152,963	\$ -	\$ 152,963	\$ -	\$ -	\$ 107,227
CUW366		Joint	\$ 16,523	\$ -	\$ 16,523	\$ -	\$ -	\$ 11,583
CUW366	HTWTP ST Improvements	Joint	\$ 1,398,798	\$ 5,732,626	\$ 7,131,424	\$ -	\$ -	\$ -
CUW366		Joint	\$ 1,452,901	\$ -	\$ 1,452,901	\$ -	\$ -	\$ -
CUW120	WATER QUALITY PLANNING STUDY	Joint	\$ 577	\$ -	\$ 577	\$ -	\$ -	\$ 404
CUW164	WATER VULNERABILITY STUDY-UEB	Joint	\$ 479	\$ -	\$ 479	\$ -	\$ -	\$ 336
CUW181	STANDBY POWER FACILITIES	Joint	\$ 5,905	\$ -	\$ 5,905	\$ -	\$ -	\$ 4,139
CUW210	Millbrae Administrative Bldg Remodel	Joint	\$ 7,803	\$ 321,553	\$ 329,356	\$ -	\$ -	\$ 230,879
CUW220	Calaveras Dam Evaluation	Joint	\$ 308,971	\$ -	\$ 308,971	\$ -	\$ -	\$ 216,589
CUW227	Watershed Facilities and Fencing	Joint	\$ 190,552	\$ 206,448	\$ 397,000	\$ -	\$ -	\$ 278,297
CUW228	Watershed Roads	Joint	\$ 358,434	\$ 85,337	\$ 443,771	\$ -	\$ -	\$ 311,083
CUW232	Crystal Springs Dam Discharge	Joint	\$ 363,823	\$ -	\$ 363,823	\$ -	\$ -	\$ 255,040
CUW242	Demolition of Unsafe Structures	Joint	\$ 311,548	\$ 22,741	\$ 334,289	\$ -	\$ -	\$ 234,337
CUW242		Joint	\$ 315	\$ -	\$ 315	\$ -	\$ -	\$ 221
CUW261	Regional R&R - Storage	Joint	\$ 275,694	\$ 277,958	\$ 553,652	\$ -	\$ -	\$ 388,110
CUW262	Regional R&R - Treatment	Joint	\$ 1,236,895	\$ 409,282	\$ 1,646,177	\$ -	\$ -	\$ 1,153,970
CUW262		Joint	\$ 277,383	\$ -	\$ 277,383	\$ -	\$ -	\$ 194,445

ATTACHMENT K-2
WHOLESALE CUSTOMERS' SHARE OF THE BOOK VALUE OF REVENUE FUNDED CAPITAL EXPENDITURES
****PRELIMINARY - TO BE SUBSTITUTED WITH FINAL 6/30/09 VALUES****
(Section 5.03)

[1] Project No.	[2] Project Description	[3] Rate Class	[4] CWIP as of 6/30/08	[5] FY 2008-09 Expenditures	[6] Reduction for O2A Funding	[7] CWIP as 6/30/09	[8] Water Related CWIP	[9] Wholesale Share
CUW263	Regional R&R - Transmission	Joint	\$ 768,422	\$ 797,659		\$ 1,566,081		\$ 1,097,823
CUW263		Joint	\$ 1,224,094	\$ -		\$ 1,224,094		\$ 858,090
CUW360	PLANNING - WSTD Sunol Quarry Reservoirs	Joint	\$ 2,513	\$ -		\$ 2,513		\$ 1,762
CUW934	BOA/BAW/13/F2/SFWD-CONT PROJ-OPER FD	Joint	\$ 59,479	\$ (2,210)	\$ 998,005	\$ (940,736)		\$ (659,456)
	TOTAL REGIONAL WATER PROJECTS		\$ 313,100,517	\$ 84,802,574	\$ 379,397,925	\$ 18,505,166		\$ 12,972,121
	Less Projects to be Capitalized in FY 2008-09					\$ 1,576,663		\$ 1,105,241
	ADJUSTED TOTAL REGIONAL WATER PROJECTS					\$ 16,928,503		\$ 11,866,881
2	Wholesale Direct							
	None							
B.	Hetch Hetchy Water & Power							
CUH703	Priest Reservoir By-pass	Joint	-	47,164		\$ 47,164	\$ 21,224	\$ 13,626
CUH762	SJPL Repairs	Water	53,616	255,011		\$ 308,627	\$ 308,627	\$ 198,139
CUH766	HH Security Improvements	Joint	164,478	261,601		\$ 426,079	\$ 191,736	\$ 123,094
CUH767	Power Transformers	Power	-	-		\$ -	\$ -	\$ -
CUH803	Street Lights	Power	-	40,506		\$ 40,506	\$ -	\$ -
CUH804	HH Roads	Joint	-	341,240		\$ 341,240	\$ 153,558	\$ 98,584
CUH829	HH SCADA	Joint	-	-		\$ -	\$ -	\$ -
CUH842	Moccasin Cottages Renovations	Joint	-	-		\$ -	\$ -	\$ -
CUH846	New Moccasin Penstock	Power	543,073	-		\$ 543,073	\$ -	\$ -
CUH851	Turbine Generator Renovations	Power	111,755	926,254		\$ 1,038,009	\$ -	\$ -
CUH868	Moccasin Energy Absorber	Power	-	-		\$ -	\$ -	\$ -
CUH876	Moccasin Phone System	Joint	-	15,677		\$ 15,677	\$ 7,055	\$ 4,529
CUH878	O'Shaughnessy Discharge/Toulumne River Channel Impr.	Joint	31,953	168,076		\$ 200,029	\$ 90,013	\$ 57,788
CUH891	Metering Muni Load	Power	18	4,361		\$ 4,379	\$ -	\$ -
CUH893	Cherry/Eleanor Pump Upgrade	Power	-	17,012		\$ 17,012	\$ -	\$ -
CUH896	Street Lights	Power	9,294	568,794		\$ 578,088	\$ -	\$ -
CUH899	Canyon Tunnel Penstock	Power	6,210	21,804		\$ 28,014	\$ -	\$ -
CUH915	UG Assessment/Hunters Point	Power	961,755	1,668,663		\$ 2,630,418	\$ -	\$ -
CUH926	Pipe Purchase	Water	-	13,667		\$ 13,667	\$ 13,667	\$ 8,774
CUH931	Microwave Replacement	Joint	3,157,491	156,270		\$ 3,313,761	\$ 1,491,192	\$ 957,346
CUH932	HH SCADA	Joint	-	-		\$ -	\$ -	\$ -
CUH825	Distribution System	Power	446,419	109,797		\$ 556,216	\$ -	\$ -
CUH941	HHP SCADA Security & Control, East/O'Shaughnessy	Joint	1,433,974	246,948		\$ 1,680,922	\$ 756,415	\$ 485,618
CUH942	O'Shaughnessy Dam Discharge Needle Valves	Joint	-	-		\$ -	\$ -	\$ -
CUH943	Renewable Energy	Power	-	-		\$ -	\$ -	\$ -
CUH945	SJPL Crossovers	Water	-	-		\$ -	\$ -	\$ -
CUH946	Facility Maintenance	Joint	-	239		\$ 239	\$ 108	\$ 69
CUH947	Sustainable Energy Account	Power	441,226	1,838,396		\$ 2,279,622	\$ -	\$ -
CUH948	Facility Maintenance - Transmission Lines	Power	70,631	101,295		\$ 171,926	\$ -	\$ -
CUH949	POW Maintenance	Power	-	-		\$ -	\$ -	\$ -
CUH950	HPH/KPH/MPH	Power	1,236,853	1,167,621		\$ 2,404,474	\$ -	\$ -
CUH955	Solar Monitoring	Power	222	-		\$ 222	\$ -	\$ -
CUH956	Facility Maintenance - Gate Valves	Water	275,213	-		\$ 275,213	\$ 275,213	\$ 176,687
CUH957	Moccasin Corrisson Control	Joint	48,023	110,986		\$ 159,009	\$ 71,554	\$ 45,938
CUH958	Generation Metering	Power	-	18,811		\$ 18,811	\$ -	\$ -
CUH959	Moccasin Reservoir Water Quality	Water	109,379	-		\$ 109,379	\$ 109,379	\$ 70,221
CUH960	Solar Power Project	Power	6,480	(5,333)		\$ 1,147	\$ -	\$ -
CUH861	MECA Solar	Power	-	26,369		\$ 26,369	\$ -	\$ -
CUH962	SF Electrical Reliability	Power	9,672,565	2,653		\$ 9,675,218	\$ -	\$ -
CUH964	Watershed Lan Purchase	Water	-	75,756		\$ 75,756	\$ 75,756	\$ 48,635
CUH966	MECA - Demand Reduction	Power	-	-		\$ -	\$ -	\$ -
CUH969	SFIA SCADA	Power	-	-		\$ -	\$ -	\$ -
CUH971	Neward - CCSF Transmission Project	Power	235,120	54,602		\$ 289,722	\$ -	\$ -
CUH972	Load Metering	Power	145,039	1,274		\$ 146,313	\$ -	\$ -
CUH973	Distribution Assessment	Power	-	-		\$ -	\$ -	\$ -
CUH975	Hetch Hetchy Water R&R	Power	-	130,100		\$ 130,100	\$ -	\$ -
CUH975	Hetch Hetchy Water R&R	Water	52,613	516,524		\$ 569,137	\$ 569,137	\$ 365,386
CUH975	Hetch Hetchy Water R&R	Joint	999,854	887,864		\$ 1,887,718	\$ 849,473	\$ 545,362
CUH976	KPH Rewind	Power	1,053,295	1,417,914		\$ 2,471,209	\$ -	\$ -
CUH977	Facilities Maintenance - Water	Joint	770,839	1,049,878		\$ 1,820,717	\$ 819,323	\$ 526,005
CUH978	Community Choice Aggregation	Power	5,571	101,075		\$ 106,646	\$ -	\$ -
CUH979	Hunters Point Distribution	Power	1,926,977	532,011		\$ 2,458,988	\$ -	\$ -
CUH981	Shore Power for Cruise Ships	Power	2,690	-		\$ 2,690	\$ -	\$ -
CUH986	SEA - Energy Efficiency	Power	15,262	-		\$ 15,262	\$ -	\$ -
CUW687	S25 Golden Gate	Joint	-	4,105		\$ 4,105	\$ 1,847	\$ 1,186
IUH004	Auto Maintenance	Joint	-	3,882		\$ 3,882	\$ 1,747	\$ 1,122
PUH501	SF Environment Energy/Green Power	Power	-	66,107		\$ 66,107	\$ -	\$ -
PYEAES	Youth Employment	Joint	-	-		\$ -	\$ -	\$ -
	TOTAL HHWP PROJECTS		23,987,888	12,964,974		36,952,862	5,807,023	\$ 3,728,109
C	TOTAL COMBINED WATER AND HHWP		\$ 337,088,405	\$ 97,767,548	\$ 379,397,925	\$ 55,458,028		\$ 15,594,990

Notes

- 6/30/08 CWIP per FAMIS
- FY 2008-09 Expenditures posted through 3/20/09 per FAMIS
- Wholesale share of CWIP 70.1% (see Note 5 Attachment K-1)
- Water Related HHWP CWIP includes 100% of Water and 45% of Joint
- Wholesale share of CWIP 64.2% (see Note 5 Attachment K-1)
- Fund 2A expenditures are funded by Series 2006A bond proceeds, proceeds of commercial paper redeemed from 2006A proceeds and earnings on such proceeds, as applicable.

ATTACHMENT K-3
25 YEAR PAYOFF SCHEDULE FOR EXISTING RATE BASE
WATER ENTERPRISE REGIONAL ASSETS AND ONE DIRECT WHOLESALE ASSET
****PRELIMINARY - TO BE SUBSTITUTED WITH FINAL 6/30/09 VALUES****
(Section 5.03)

	<u>Water Assets</u>
6/30/09 Wholesale Share of Net Plant & CWIP (Attachment K-1)	338,452,207
Interest Rate:	5.13%
Term:	25
Monthly Principal & Interest Calculation:	2,004,277
Annual Wholesale Revenue Requirement:	24,051,326

Fiscal Yr Ending	Principal	Interest	Annual Payment (Wtr)	Year End Balance
Jun-10	6,848,259	17,203,067	24,051,326	331,603,948
Jun-11	7,207,954	16,843,372	24,051,326	324,395,994
Jun-12	7,586,541	16,464,785	24,051,326	316,809,453
Jun-13	7,985,013	16,066,313	24,051,326	308,824,439
Jun-14	8,404,415	15,646,911	24,051,326	300,420,024
Jun-15	8,845,844	15,205,482	24,051,326	291,574,180
Jun-16	9,310,459	14,740,867	24,051,326	282,263,721
Jun-17	9,799,478	14,251,848	24,051,326	272,464,243
Jun-18	10,314,181	13,737,145	24,051,326	262,150,062
Jun-19	10,855,919	13,195,407	24,051,326	251,294,143
Jun-20	11,426,110	12,625,216	24,051,326	239,868,033
Jun-21	12,026,250	12,025,076	24,051,326	227,841,784
Jun-22	12,657,911	11,393,415	24,051,326	215,183,873
Jun-23	13,322,749	10,728,577	24,051,326	201,861,123
Jun-24	14,022,507	10,028,819	24,051,326	187,838,616
Jun-25	14,759,019	9,292,307	24,051,326	173,079,597
Jun-26	15,534,215	8,517,111	24,051,326	157,545,382
Jun-27	16,350,127	7,701,199	24,051,326	141,195,254
Jun-28	17,208,894	6,842,432	24,051,326	123,986,361
Jun-29	18,112,766	5,938,560	24,051,326	105,873,594
Jun-30	19,064,113	4,987,213	24,051,326	86,809,482
Jun-31	20,065,428	3,985,898	24,051,326	66,744,054
Jun-32	21,119,335	2,931,991	24,051,326	45,624,719
Jun-33	22,228,597	1,822,729	24,051,326	23,396,122
Jun-34	23,396,122	655,204	24,051,326	0
Totals:	338,452,207	262,830,943	601,283,150	

ATTACHMENT K-4
25 YEAR PAYOFF SCHEDULE FOR EXISTING RATE BASE
HETCH HETCHY WATER ASSETS AND WATER-RELATED PORTION OF JOINT ASSETS
****PRELIMINARY - TO BE SUBSTITUTED WITH FINAL 6/30/09 VALUES****
(Section 5.03)

	<u>Hetch Hetchy</u>
6/30/09 Wholesale Share of Net Plant & CWIP (Attachment K-1)	43,877,206
Interest Rate:	5.13%
Term:	25
Monthly Principal & Interest Calculation:	259,836
Annual Wholesale Revenue Requirement:	3,118,033

Fiscal Yr Ending	Principal	Interest	Annual Payment (HH)	Year End Balance
Jun-10	887,814	2,230,219	3,118,033	42,989,393
Jun-11	934,445	2,183,588	3,118,033	42,054,948
Jun-12	983,525	2,134,507	3,118,033	41,071,423
Jun-13	1,035,183	2,082,849	3,118,033	40,036,239
Jun-14	1,089,555	2,028,478	3,118,033	38,946,685
Jun-15	1,146,782	1,971,250	3,118,033	37,799,903
Jun-16	1,207,015	1,911,017	3,118,033	36,592,887
Jun-17	1,270,412	1,847,621	3,118,033	35,322,475
Jun-18	1,337,138	1,780,894	3,118,033	33,985,337
Jun-19	1,407,370	1,710,663	3,118,033	32,577,967
Jun-20	1,481,290	1,636,743	3,118,033	31,096,678
Jun-21	1,559,092	1,558,940	3,118,033	29,537,585
Jun-22	1,640,981	1,477,051	3,118,033	27,896,604
Jun-23	1,727,172	1,390,861	3,118,033	26,169,432
Jun-24	1,817,889	1,300,144	3,118,033	24,351,544
Jun-25	1,913,371	1,204,662	3,118,033	22,438,173
Jun-26	2,013,868	1,104,165	3,118,033	20,424,305
Jun-27	2,119,643	998,389	3,118,033	18,304,662
Jun-28	2,230,974	887,058	3,118,033	16,073,688
Jun-29	2,348,153	769,880	3,118,033	13,725,535
Jun-30	2,471,486	646,546	3,118,033	11,254,048
Jun-31	2,601,298	516,735	3,118,033	8,652,751
Jun-32	2,737,927	380,106	3,118,033	5,914,824
Jun-33	2,881,733	236,300	3,118,033	3,033,091
Jun-34	3,033,091	84,941	3,118,033	0
	43,877,206	34,073,607	77,950,813	

ATTACHMENT K-5
UNEXPENDED APPROPRIATIONS FOR REVENUE-FUNDED REGIONAL ASSETS
CONSTRUCTION WORK IN PROGRESS AS OF MARCH 30, 2009
(Section 5.04)

Project	Project Title	Fund Type	Subfund	Classification	Appropriation	YTD Expenditures	PTD Expenditures	Encumbrances	Available Balances	Notes
<u>Water Assets</u>										
CUW257	WATERSHED PROTECTION	5W	AAAACP	REGIONAL	1,448,720	29,653	413,529	141,643	893,548	
CUW250	WATERSHED TRAILS&RECREATION IMPROV	5W	AAAACP	REGIONAL	387,639	9,431	112,689	6,675	268,275	
CUW261	REGIONAL WATER STORAGE RNR - BUDGET	5W	AAAACP	REGIONAL	1,750,000	250,970	526,664	26,687	1,196,648	Annual R&R
CUW242	DEMOLITION UNSAFE STRUCTURES	5W	AAAACP	REGIONAL	1,000,000	22,647	407,820	21,524	570,656	
CUW263	CONVEYANCE/TRANSMISSION - BUDGET	5W	AAAACP	REGIONAL	7,825,000	763,603	3,378,543	125,990	4,320,466	Annual R&R
CUW264	WATERSHED ROADS - BUDGET	5W	AAAACP	REGIONAL	3,000,000	77,074	1,391,500	162,401	1,446,099	Annual R&R
CUW262	TREATMENT FACSWQ IMPROVE-BUDGET	5W	AAAACP	REGIONAL	4,801,000	399,073	2,704,204	349,016	1,747,780	Annual R&R
CUW168	ALAMEDA CREEK FISH RELEASE	5W	AAAACP	REGIONAL	1,537,398	46,624	1,040,919	152,647	343,832	
CUW231	MILLBRAE LAB CAPITAL IMPROVEMENTS	5W	AAAACP	REGIONAL	770,000	19,119	532,135	0	237,865	
CUW227	WATERSHED FENCES/FACILITES	5W	AAAACP	REGIONAL	3,000,000	206,222	2,223,776	581,926	194,298	
CUW253	FACILITIES SECURITY PROJECT	5W	AAAACP	REGIONAL	5,300,000	73,048	4,146,944	113,124	1,039,931	
CUW210	MILLBRAE ADMIN BLDG INTERIM REMODEL	5W	AAAACP	REGIONAL	2,407,700	284,902	1,935,204	160	472,337	
CUW228	WATERSHED ROADS RECONSTRUCTION	5W	AAAACP	REGIONAL	5,170,000	82,992	4,413,061	18,598	738,340	
CUW202	SAN ANTONIO PIPELINE EMERGENCY REPA	5W	AAAACP	REGIONAL	1,400,000	6,012	1,269,190	61,727	69,083	
CUW148	ENVIRONMENTAL & REGULATORY COMP	5W	AAAACP	REGIONAL	3,241,279	0	3,014,995	184,774	41,510	
CUW135	NEW LINE & BYPASS VALVES	5W	AAAACP	REGIONAL	4,829,680	2,103	4,689,067	0	140,613	
CUW143	HETCH HETCHY WATER TREATMENT PLAN	5W	AAAACP	REGIONAL	18,821,529	0	18,452,053	47,947	321,529	
CUW161	TREATMENT FACILITIES IMPROVEMENTS	5W	AAAACP	REGIONAL	15,028,319	334	14,747,873	0	280,446	
CUW241	FACILITIES MAINT SUPPORT STRUCTURES	5W	AAAACP	REGIONAL	5,000,000	8,390	4,988,882	0	11,118	
CUW392	PROGRAM MANAGEMENT SERVICES - WSIF	5W	AAAACP	LOCAL/REGIONAL	1,837,000	(98,519)	751,659	71,973	1,013,368	
CUW127	INST SCADA SYSTEM	5W	AAAACP	LOCAL/REGIONAL	13,156,681	2,481,274	8,653,641	0	4,503,040	
CUW710	OCIP PROJECT CONTROL	5W	AAAACP	LOCAL/REGIONAL	2,497,881	235,706	2,496,959	0	922	
	TOTAL ALL PROJECTS				104,209,826	4,900,661	82,291,307	2,066,813	19,851,706	
	LOCAL PROJECTS			LOCAL	0	0	0	0	0	
	JOINT LOCAL AND REGIONAL PROJECTS			LOCAL/REGIONAL	17,491,562	2,618,462	11,902,259	71,973	5,517,330	
	REGIONAL PROJECTS			REGIONAL	86,718,264	2,282,199	70,389,048	1,994,840	14,334,376	
	TOTAL ALL PROJECTS				104,209,826	4,900,661	82,291,307	2,066,813	19,851,706	
<u>Hetchy Hetchy Assets</u>										
CUH975	WATER INFRASTRUCTURE - BUDGET	5T	AAAACP	WATER	9,000,000	1,534,488	2,806,592	3,565,023	2,628,385	
CUH964	WATERSHED PROPERTY PURCHASES	5T	AAAACP	WATER	800,000	75,756	454,756	0	345,244	
CUH957	FAC MAINTENANCE-WATER TRANSPORTAT	5T	AAAACP	WATER	3,400,000	110,986	2,885,394	209,138	305,469	
CUH703	PRIEST RESERVOIR DIVERSION CHANNEL	5T	AAAACP	WATER	21,210,344	47,164	20,166,993	0	1,043,351	
CUH926	PIPELINE PURCHASE REPLACEMENT PIPE	5T	AAAACP	WATER	159,860	13,667	157,489	0	2,371	
CUH762	SAN JOAQUIN PIPELINE REPAIRS	5T	AAAACP	WATER	41,469,206	255,011	41,215,761	134,652	118,792	
CUW687	525 GOLDEN GATE	5T	AAAACP	JOINT	280,600	4,105	26,437	0	254,163	
CUH977	FACILITIES MAINTENANCE - BUDGET	5T	AAAACP	JOINT	9,300,000	1,049,878	3,578,478	803,231	4,918,290	
CUH931	HH MICROWAVE REPLACEMENT	5T	AAAACP	JOINT	4,767,000	156,270	3,313,761	1,227,242	225,997	
CUH941	HH SCADA SECURITY & CONTROL, EAST	5T	AAAACP	JOINT	2,068,180	246,948	1,680,922	256,198	131,060	
CUH804	HETCH-HETCHY ROADS REBUILDING	5T	AAAACP	JOINT	4,175,027	341,240	3,544,483	113,314	517,230	
CUH766	HETCHY FACILITIES SECURITY IMPROV.	5T	AAAACP	JOINT	2,086,692	261,601	1,960,386	62,470	63,836	
CUH876	MOCCASIN PHONE SYSTEM	5T	AAAACP	JOINT	1,610,000	15,677	1,528,780	0	81,220	
CUH878	O'SHAUGENESSY DIS.REPAIRS	5T	AAAACP	JOINT	7,179,009	33,750	7,101,644	9,297	68,068	
CUH810	VARIOUS OLD JOB	5T	AAAACP	JOINT	7,613,638	18,690	7,538,034	1,561	74,044	
CUH946	FAC MAINTENANCE-SUPPORT STRUCTURE	5T	AAAACP	JOINT	2,281,454	239	2,273,485	0	7,969	
CUH949	RIGHT OF WAY MAINTENANCE	5T	AAAACP	JOINT	815,000	0	814,208	166	626	
	TOTAL ALL PROJECTS				118,216,010	4,165,470	101,047,602	6,382,292	10,786,117	
	POWER PROJECTS			POWER	0	0	0	0	0	
	WATER PROJECTS			WATER	76,039,410	2,037,072	67,686,985	3,908,812	4,443,613	
	JOINT PROJECTS			JOINT	42,176,600	2,128,397	33,360,617	2,473,480	6,342,504	
	TOTAL ALL PROJECTS				118,216,010	4,165,470	101,047,602	6,382,292	10,786,117	

REVISED ATTACHMENT K-1
WHOLESALE CUSTOMERS' SHARE OF NET BOOK VALUE OF EXISTING ASSETS
AS OF JUNE 30, 2009
(Section 5.03)

	Notes	Water		Hetch Hetchy		Total
Regional System Net Plant as of 6/30/09	1, 5	\$485,580,249	1	\$63,528,861	2	\$549,109,110
Regional Construction Work in Progress as 6/30/09	2	\$35,072,164	3	\$7,507,984	3	\$42,580,148
Total Net Plant and Construction Work in Progress		\$520,652,413		\$71,036,845		\$591,689,258
Regional System Allocation Factor	3	70.1%		64.2%		
Wholesale Share of Regional System Net Plant		\$340,391,755		\$40,785,529		\$381,177,284
Wholesale Share of Construction Work in Progress	4	\$11,025,550		\$4,820,126		\$15,845,676
Total Wholesale Share of Net Plant and CWIP		\$351,417,305		\$45,605,655		\$397,022,960
Interest Rate		5.13%		5.13%		
Term (Yrs)		25		25		
Monthly Principal & Interest		\$2,081,055		\$270,072		\$2,351,127
Annual Wholesale Revenue Requirement Amount		\$24,972,661		\$3,240,861		\$28,213,522

Notes

1. FAACS 120D Report as of 6/30/09
2. CWIP based on balance as 6/30/09, with adjustments from the Agreed-Upon Procedures Report. See K-2 for details.
3. Fixed allocation factors based on dollar weighted 5-year average of J-Table allocation factors (2003-04 through 2007-08)
4. Projects CUW127 SCADA, CUW687/934 525 Golden Gate, and CUW690 Customer Care and Billing are specially allocated, see K-2 for details
5. A rounding difference of \$3,846 was identified by the SFPUC relating to various cumulative prior year differences in net utility plant. Under Section 5.03D, the Parties agreed that the Wholesale Customers' share of net book values of existing regional assets as of 06/30/2008 are accurate. However, to match Attachment K to the FY08-09 Audited SRRC, the SFPUC will credit the 1984 Balancing Account for \$79.

Original Rate Base, FY08-09 SRRC	\$19,367,641
Adjusted Rate Base	\$19,367,562
1984 Balancing Account Credit	\$79

APPROVED IN ACCORDANCE WITH ARTICLE V, SECTION 5.03D OF THE WATER SUPPLY AGREEMENT BETWEEN THE CITY & COUNTY OF SAN FRANCISCO & WHOLESALE CUSTOMERS:

CITY AND COUNTY OF SAN FRANCISCO

Acting by and through its Public Utilities Commission

By: _____

Edward Harrington
General Manager

Date: 3/4, 2011

BAY AREA WATER SUPPLY AND CONSERVATION AGENCY

Acting on behalf of the Wholesale Customers

By: _____

Arthur R. Jensen
General Manager

Date: 3/7, 2011

REVISED ATTACHMENT K-2
WHOLESALE CUSTOMERS' SHARE OF REVENUE FUNDED CAPITAL EXPENDITURES
CONSTRUCTION WORK IN PROGRESS AS OF JUNE 30, 2009
(Section 5.03)

(1)	(2)	(3)	(4)	(4a)	(4b)	(5)	(6)
Project No.	Project Description	Rate Class	CWIP as of 6/30/09	Adjustments	Adjusted CWIP as of 06/30/09	Water Related CWIP	Wholesale Share Funding Source / Notes
A. Water Enterprise							
1. Regional Projects							
CUW111/112	Lower Crystal Springs Dam	Joint	52,615	0	52,615		36,883 ACP/95A
CUW127	SCADA	Joint	30,952	0	30,952		13,951 ACP/98A Split 64.3%/35.9% Joint/City
CUW135	New Lines and Bypass Valves	Joint	69,818	(6,018)	63,800		44,724 98A
CUW143	HH Water Treatment	Joint	1,167	(1,167)	0		0 ACP
CUW168	Alameda HCP -EIS/EIR	Joint	26,428	0	26,428		18,526 ACP
CUW181	Standby Power Facilities	Joint	5,905	0	5,905		4,139 ACP
CUW202	Replace PCCP	Joint	414,754	0	414,754		290,743 ACP/96A/98A
CUW206	Thomas Shaft Roadway	Joint	530,329	0	530,329		371,761 96A/98B
CUW208	Lawrence-Livermore	City	0	0	0		0 ACP
CUW220	Calaveras Dam Evaluation	Joint	308,971	0	308,971		216,588 ACP
CUW227	Watershed Facilities and Fencing	Joint	235,658	0	235,658		165,196 ACP
CUW228	Watershed Roads	Joint	443,771	0	443,771		311,083 ACP
CUW231	Milbrae Labs Improvement	Joint	58,081	0	58,081		40,715 ACP/98B
CUW235	Tesla/SJVH WQ Monitoring	Joint	5,596	(5,596)	0		0 98B
CUW242	Demolition of Unsafe Structures	Joint	2,534	0	2,534		1,777 ACP
CUW248	Sunol/Niles Dam Removal	Joint	81,111	0	81,111		56,859 ACP
CUW253	WQ Projects	Joint	72,144	0	72,144		50,573 ACP
CUW261	Regional R&R - Storage	Joint	706,684	0	706,684		495,386 ACP
CUW262	Regional R&R - Treatment	Joint	575,064	0	575,064		403,120 ACP
CUW263	Regional R&R - Transmission	Joint	1,433,696	0	1,433,696		1,005,231 ACP
CUW264	Watershed Roads	Joint	198,163	0	198,163		138,912 ACP
CUW354	Lower Crystal Springs Dam	Joint	857,235	0	857,235		600,922 ACP
CUW355	Standby Power Facilities	Joint	37,875	0	37,875		28,550 ACP
CUW356	New Crystal Springs Bypass Tunnel	Joint	3,671,856	0	3,671,856		2,573,971 96A/98A
CUW359/CUW12	Irvington Tunnel	Joint	2,085,122	0	2,085,122		1,468,681 ACP
CUW368	BDPL Hydraulic Capacity	Joint	1,612,592	0	1,612,592		1,130,427 ACP
CUW371	CSPS and Pipeline	Joint	221,690	0	221,690		155,404 ACP
CUW374	Calaveras Dam	Joint	544,618	0	544,618		381,777 ACP
CUW382	SVWTP Treated Water Reservoir	Joint	32,153	0	32,153		22,539 ACP
CUW384/CUW231	Tesla Disinfection	Joint	230,019	0	230,019		161,244 ACP
CUW387	CSPL #2	Joint	1,195,062	0	1,195,062		837,739 96A/98B
CUW392	Program Management	Special	979,694	(979,694)	0		0 Special
CUW685	Emergency Operations Center	Joint	185	0	185		129 ACP
CUW687/934	525 Golden Gate	Joint	15,797,679	0	15,797,679		0 will be paid for as lease in lieu of rent
CUW690	Customer Care & Billing	Special	3,535,118	0	3,535,118		0 Note A
CUW710	OCIP	Special	2,496,959	(2,496,959)	0		0 Special
TOTAL REGIONAL PROJECTS			38,561,597	(3,489,434)	35,072,164		11,025,550
2. Wholesale Direct							
None							
B. Hetch Hetchy Water & Power							
CUH703	Priest Reservoir Bypass	Joint	574	0	574	256	166 ACP
CUH762	SJPL Repairs	Water	66,609	0	66,609	66,609	42,763 ACP
CUH766	HH Security Improvements	Joint	284,456	0	284,456	128,005	82,179 ACP
CUH804	HH Roads	Joint	567,503	0	567,503	255,376	163,952 ACP
CUH846	New Moccasin Penstock	Power	543,074	0	543,074	0	0 ACP
CUH931	Microwave Replacement	Joint	4,156,642	0	4,156,642	1,870,489	1,200,854 ACP
CUH941	HH SCADA Security & Control	Joint	702,709	0	702,709	316,219	203,013 ACP
CUH950	Penstock Renovation	Power	561,536	0	561,536	0	0 ACP
CUH957	Moccasin Coniston Control	Water	314,805	0	314,805	314,805	202,105 ACP
CUH959	Moccasin Reservoir Water Quality	Water	109,379	0	109,379	109,379	70,221 ACP
CUH964	Watershed Land Purchase	Water	47,768	0	47,768	47,768	30,687 ACP
CUH975	HH Water R&R - Joint Facilities	Joint	2,495,322	0	2,495,322	1,122,695	720,898 ACP
CUH975	HH Water R&R - Kirkwood Penstock Assessment	Power	460,170	0	460,170	0	0 ACP
CUH975	HH Water R&R - SJPL Rehabilitation/RR Lime Slaker	Water	2,330,076	0	2,330,076	2,330,076	1,495,909 ACP
CUH977	Facilities Maintenance - Water	Joint	2,076,186	0	2,076,186	934,284	589,810 ACP
CUH998	Camp Mather Leach Field	Joint	26,270	0	26,270	11,822	7,589 ACP
TOTAL HETCH HETCHY WATER & POWER			14,743,078	0	14,743,078	7,507,984	4,820,126
TOTAL COMBINED WATER AND HHWP			53,304,675	(3,489,434)	49,815,242	7,507,984	15,845,676

Note A: CUW690 - Customer Care & Billing

This project will be specially allocated. SFPUC will reflect \$70,702.36 (\$3,535,117.97 x 2%) as an adjustment to the Balancing Account in favor of the Retail customers.

REVISED ATTACHMENT K-3
 (Section 5.03)
ANNUAL PAYMENTS FOR WHOLESALE SHARE OF 6/30/09 NET PLANT & CWIP
(WATER ASSETS)
Revised for February 2013 Prepayment

6/30/09 Wholesale Share of Net Plant & CWIP:	351,417,305
Interest Rate:	5.13%
Original Term:	25
Monthly Principal & Interest Calculation through 6/30/13:	2,081,055
Annual Wholesale Revenue Requirement through 6/30/13:	24,972,661

Fiscal Yr				Prepay-	
Ending	Principal	Interest	Total	ment	End Bal (6/30)
Jun-10	7,110,596	17,862,065	24,972,661	-	344,306,709
Jun-11	7,484,069	17,488,591	24,972,661	-	336,822,640
Jun-12	7,877,159	17,095,502	24,972,661	-	328,945,481
Jun-13	13,715,985	11,256,676	24,972,661	315,229,496	0
Jun-14	-	-	-	-	-
Jun-15	-	-	-	-	-
Jun-16	-	-	-	-	-
Jun-17	-	-	-	-	-
Jun-18	-	-	-	-	-
Jun-19	-	-	-	-	-
Jun-20	-	-	-	-	-
Jun-21	-	-	-	-	-
Jun-22	-	-	-	-	-
Jun-23	-	-	-	-	-
Jun-24	-	-	-	-	-
Jun-25	-	-	-	-	-
Jun-26	-	-	-	-	-
Jun-27	-	-	-	-	-
Jun-28	-	-	-	-	-
Jun-29	-	-	-	-	-
Jun-30	-	-	-	-	-
Jun-31	-	-	-	-	-
Jun-32	-	-	-	-	-
Jun-33	-	-	-	-	-
Jun-34	-	-	-	-	-
	36,187,809	63,702,834	99,890,643	315,229,496	

Note: The monthly supporting calculation for fiscal year 2012-13 is attached.

Monthly Calculations for Updated K-3 Schedule for FY 2012-13
Based on February 2013 Prepayment
(Water)

6/30/12 Unpaid Balance	328,945,481
Interest Rate:	5.13%
Original Term:	25
Monthly Principal & Interest Calculation through 6/30/13	2,081,055
Annual Wholesale Revenue Requirement through 6/30/13:	24,972,661
Prepayment Date	2/27/13

Month Ending	Mo. Pmt	Beginning Balance	Principal ⁽¹⁾	Interest ⁽¹⁾	Total	Ending Balance	Prepay- ment
6/30/12		n/a	n/a	n/a	n/a	328,945,481	
7/30/12	2,081,055	328,945,481	674,813	1,406,242	2,081,055	328,270,667	-
8/30/12	2,081,055	328,270,667	677,698	1,403,357	2,081,055	327,592,970	-
9/30/12	2,081,055	327,592,970	680,595	1,400,460	2,081,055	326,912,374	-
10/30/12	2,081,055	326,912,374	683,505	1,397,550	2,081,055	326,228,870	-
11/30/12	2,081,055	326,228,870	686,427	1,394,628	2,081,055	325,542,443	-
12/30/12	2,081,055	325,542,443	689,361	1,391,694	2,081,055	324,853,082	-
1/30/13	2,081,055	324,853,082	692,308	1,388,747	2,081,055	324,160,774	-
2/28/13	2,081,055	324,160,774	695,268	1,385,787	2,081,055	323,465,506	315,229,496 ⁽¹⁾
3/30/13	2,081,055	8,236,010	2,045,846	35,209	2,081,055	6,190,164	-
4/30/13	2,081,055	6,190,164	2,054,592	26,463	2,081,055	4,135,572	-
5/30/13	2,081,055	4,135,572	2,063,375	17,680	2,081,055	2,072,196	-
6/30/13	2,081,055	2,072,196	2,072,196	8,859	2,081,055	0	-
Total (Rev K-3):			13,715,985	11,256,676	24,972,661		315,229,496
Current K-3 ⁽²⁾ :			8,290,896	16,681,765	24,972,661		
Additional Principal Amortized:			5,425,089				

- (1) Starting in March, the Prepayment is applied to the monthly interest calculations and monthly principal is calculated to maintain monthly principal and interest \$2,081,055 and the annual WRR amount at \$24,972,661 resulting in no impact to the 6/30/13 balancing account compared to no prepayment being made.
- (2) K-3 principal and interest for FY 12-13 on K-3 before prepayment.
 Provided for reference only.

REVISED ATTACHMENT K-4

(Section 5.03)

ANNUAL PAYMENTS FOR WHOLESALE SHARE OF 6/30/09 NET PLANT & CWIP

(HETCH HETCHY ASSETS)

Revised for February 2013 Prepayment

6/30/09 Wholesale Share of Net Plant & CWIP:	45,605,655
Interest Rate:	5.13%
Original Term:	25
Monthly Principal & Interest Calculation through 6/30/13:	270,072
Annual Wholesale Revenue Requirement through 6/30/13:	3,240,861

Fiscal Yr Ending	Principal	Interest	Total	Prepay- ment	End Bal (6/30)
Jun-10	922,787	2,318,074	3,240,861	-	44,682,868
Jun-11	971,255	2,269,606	3,240,861	-	43,711,612
Jun-12	1,022,269	2,218,592	3,240,861	-	42,689,343
Jun-13	1,780,010	1,460,850	3,240,861	40,909,333	0
Jun-14	-	-	-	-	-
Jun-15	-	-	-	-	-
Jun-16	-	-	-	-	-
Jun-17	-	-	-	-	-
Jun-18	-	-	-	-	-
Jun-19	-	-	-	-	-
Jun-20	-	-	-	-	-
Jun-21	-	-	-	-	-
Jun-22	-	-	-	-	-
Jun-23	-	-	-	-	-
Jun-24	-	-	-	-	-
Jun-25	-	-	-	-	-
Jun-26	-	-	-	-	-
Jun-27	-	-	-	-	-
Jun-28	-	-	-	-	-
Jun-29	-	-	-	-	-
Jun-30	-	-	-	-	-
Jun-31	-	-	-	-	-
Jun-32	-	-	-	-	-
Jun-33	-	-	-	-	-
Jun-34	-	-	-	-	-
	4,696,322	8,267,121	12,963,443	40,909,333	

Note: The monthly supporting calculation for fiscal year 2012-13 is attached.

**Monthly Calculations for Updated K Schedules for FY 2012-13
Based on February 2013 Prepayment
(Hetch Hetchy)**

6/30/12 Unpaid Balance	42,689,343
Interest Rate:	5.13%
Original Term:	25
Monthly Principal & Interest Calculation through 6/30/13	270,072
Annual Wholesale Revenue Requirement through 6/30/13:	3,240,861
Est. Prepayment Date	2/27/13

Month Ending	Mo. Pmt	Beginning Balance	Principal ⁽¹⁾	Interest ⁽¹⁾	Total	Ending Balance	Prepay- ment
6/30/12		n/a	n/a	n/a	n/a	42,689,343	
7/30/12	270,072	42,689,343	87,575	182,497	270,072	42,601,769	-
8/30/12	270,072	42,601,769	87,949	182,123	270,072	42,513,820	-
9/30/12	270,072	42,513,820	88,325	181,747	270,072	42,425,494	-
10/30/12	270,072	42,425,494	88,703	181,369	270,072	42,336,792	-
11/30/12	270,072	42,336,792	89,082	180,990	270,072	42,247,710	-
12/30/12	270,072	42,247,710	89,463	180,609	270,072	42,158,247	-
1/30/13	270,072	42,158,247	89,845	180,227	270,072	42,068,402	-
2/28/13	270,072	42,068,402	90,229	179,842	270,072	41,978,172	40,909,333 ⁽¹⁾
3/30/13	270,072	1,068,839	265,502	4,569	270,072	803,337	-
4/30/13	270,072	803,337	266,637	3,434	270,072	536,699	-
5/30/13	270,072	536,699	267,777	2,294	270,072	268,922	-
6/30/13	270,072	268,922	268,922	1,150	270,072	0	-

Total (Rev K-4):	1,780,010	1,460,850	3,240,861	40,909,333
Current K-4 ⁽²⁾ :	1,075,962	2,164,899	3,240,861	
Additional Principal Amortized (K-4):	704,048			Combined
Plus Additional K-3 Principal:	5,425,089			Prepayment
Combined Additional Principal:	6,129,137			356,138,829

- (1) Starting in March, the Prepayment is applied to the monthly interest calculations and monthly principal is calculated to maintain monthly principal and interest \$270,072 and the annual WRR amount at \$3,240,861, resulting in no impact to the 6/30/13 balancing account compared to no prepayment being made.
- (2) K-4 principal and interest for FY 12-13 on K-4 before prepayment.

REVISED ATTACHMENT K-5
 10 YEAR PAYOFF SCHEDULES FOR EXISTING RATE BASE
 WATER ENTERPRISE UNEXPENDED APPROPRIATIONS FOR REVENUE-FUNDED REGIONAL ASSETS
 CONSTRUCTION WORK IN PROGRESS (CWIP)
 AS OF JUNE 30, 2009
 (Section 5.03C)

				<u>Difference</u> <u>(Increase) from</u>		<u>Difference</u> <u>(Increase) from</u>
	<u>Revised</u>	<u>Audited</u>	<u>Audited</u>	<u>Original</u>	<u>Original</u>	
6/30/09 Wholesale Share of Unexpended Appropriations of CWIP	\$ 6,618,478	\$ 6,618,021	\$ 457	\$ 6,613,084	\$ 5,394	
Interest Rate:	4.00%					
Term:	10					
Monthly Principal & Interest Calculation:	\$67,009					
Annual Wholesale Revenue Requirement:	\$804,106	\$804,051	\$ 55	\$803,451	\$655	

Fiscal Yr Ending	Principal	Interest	Annual Payment	Year End Balance
Jun-15	\$549,366	\$254,740	\$804,106	\$6,069,112
Jun-16	\$571,748	\$232,358	\$804,106	\$5,497,363
Jun-17	\$595,042	\$209,064	\$804,106	\$4,902,321
Jun-18	\$619,285	\$184,821	\$804,106	\$4,283,035
Jul-19	\$644,516	\$159,590	\$804,106	\$3,638,519
Jun-20	\$670,775	\$133,332	\$804,106	\$2,967,745
Jun-21	\$698,103	\$106,004	\$804,106	\$2,269,642
Jun-22	\$726,545	\$77,562	\$804,106	\$1,543,097
Jul-23	\$756,145	\$47,961	\$804,106	\$786,952
Jun-24	\$786,952	\$17,155	\$804,106	\$0
Totals:	\$6,618,478	\$1,422,587	\$8,041,065	

REVISED ATTACHMENT K-5
 10 YEAR PAYOFF SCHEDULES FOR EXISTING RATE BASE
 HETCH HETCHY ENTERPRISE UNEXPENDED APPROPRIATIONS FOR REVENUE-FUNDED REGIONAL ASSETS
 CONSTRUCTION WORK IN PROGRESS (CWIP)
 AS OF JUNE 30, 2009
 (Section 5.03C)

			<u>Difference</u> <u>(Increase) from</u>	<u>Difference</u> <u>(Increase)</u>
	<u>Revised</u>	<u>Audited</u>	<u>Audited</u>	<u>Original</u> <u>from Original</u>
6/30/09 Wholesale Share of Unexpended Appropriations of CWIP	\$ 2,923,204	\$ 2,914,484	\$ 8,720	\$ 2,912,877 \$ 10,326
Interest Rate:	4.00%			
Term:	10			
Monthly Principal & Interest Calculation:	\$29,596			
Annual Wholesale Revenue Requirement:	\$355,152	\$354,093	\$ 1,059	\$353,898 \$1,254

Fiscal Yr Ending	Principal	Interest	Total	End. Balance	Principal	Interest	Annual Payment	Year End Balance
Jun-15	\$20,592	\$9,004	\$29,596	\$2,680,563	\$242,640	\$112,512	\$355,152	\$2,680,563
Jun-16	\$21,431	\$8,165	\$29,596	\$2,428,037	\$252,526	\$102,626	\$355,152	\$2,428,037
Jun-17	\$22,304	\$7,292	\$29,596	\$2,165,223	\$262,814	\$92,338	\$355,152	\$2,165,223
Jun-18	\$23,213	\$6,383	\$29,596	\$1,891,701	\$273,522	\$81,631	\$355,152	\$1,891,701
Jul-19	\$24,159	\$5,437	\$29,596	\$1,607,036	\$284,665	\$70,487	\$355,152	\$1,607,036
Jun-20	\$25,143	\$4,453	\$29,596	\$1,310,773	\$296,263	\$58,889	\$355,152	\$1,310,773
Jun-21	\$26,167	\$3,429	\$29,596	\$1,002,440	\$308,333	\$46,819	\$355,152	\$1,002,440
Jun-22	\$27,233	\$2,363	\$29,596	\$681,544	\$320,895	\$34,257	\$355,152	\$681,544
Jul-23	\$28,343	\$1,253	\$29,596	\$347,575	\$333,969	\$21,183	\$355,152	\$347,575
Jun-24	\$29,498	\$98	\$29,596	(\$0)	\$347,575	\$7,577	\$355,152	(\$0)
Totals:	\$2,923,204	\$628,318	\$3,551,522		\$2,923,204	\$628,318	\$3,551,522	

Review of Unexpended Balances of Appropriated Funds (Not Included in CWIP as of 6/30/2009)
Construction Work in Progress As of June 30, 2009
(Section 5.03.C)

																	(E) = (E1) + (E2) + (E3)+(E4)+(E5) + (E6)	(F) = (C) + (D) - (E)		(G)	(H)	(I)	(J) = (A) - (B) - (E) - (G) - (H) - (I)
																			Appropriation Transfer Out through Closeout Process		DEOBLIGATE / OBLIGATION	Unexpended Balances of Appropriation after Closeout and Deobligate	
Project	Project Title	Fund Type	Subfund	Classification	Appropriation As of June 30, 2009	YTD Expenditures As of June 30, 2009	PTD Expenditures As of June 30, 2009	Encumbrances As of June 30, 2009	Available Balance As of June 30, 2009	Expenditures in						Total Expenditures	Unused Balance	Encumbrances As of June 30, 2015	As of June 30, 2015	As of June 30, 2015	As of June 30, 2015		
											FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	YTD FY 2014-15							
Water Assets:																							
Addition to K-5	CUW111	CRYSTAL SP RES OP PLAN ⁸	SW	AAAACP	REGIONAL	\$ 1,058,054	\$ -	\$ 1,023,222	\$ -	\$ 34,832	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,832	\$ -	\$ 34,832	\$ -	\$ -		
Addition to K-5	CUW112	CRYSTAL SPRINGS P/L NO 1-PHASE 2 ⁸	SW	AAAACP	REGIONAL	\$ 2,422,523	\$ 207	\$ 1,375,634	\$ -	\$ 1,046,889	\$ 1,327	\$ 99	\$ -	\$ -	\$ -	\$ -	\$ 1,426	\$ 1,045,463	\$ -	\$ 1,045,463	\$ -		
Addition to K-5	CUW118	MILLBRAE SHOP-PHASE 2-B ⁸	SW	AAAACP	REGIONAL	\$ 11,263,269	\$ 3,998	\$ 11,014,662	\$ -	\$ 248,607	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 248,607	\$ -	\$ 248,607	\$ -			
K-5	CUW135	NEW LINE & BYPASS VALVES ⁸	SW	AAAACP	REGIONAL	\$ 4,829,680	\$ 2,103	\$ 4,689,067	\$ -	\$ 140,613	\$ 23,027	\$ 1,453	\$ -	\$ -	\$ -	\$ -	\$ 24,480	\$ 116,133	\$ -	\$ 116,133	\$ -		
K-5	CUW143	HETCH HETCHY WATER TREATMENT PLAN ^{8,10}	SW	AAAACP	REGIONAL	\$ 18,821,529	\$ 164,267	\$ 18,616,320	\$ 47,947	\$ 157,262	\$ 36,572	\$ 7,125	\$ -	\$ -	\$ -	\$ -	\$ 43,697	\$ 161,512	\$ -	\$ 161,512	\$ -		
K-5	CUW148	ENVIRONMENTAL & REGULATORY COMP ⁸	SW	AAAACP	REGIONAL	\$ 3,241,279	\$ 990	\$ 3,015,985	\$ -	\$ 225,294	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 225,294	\$ -	\$ 225,294	\$ -		
K-5	CUW161	TREATMENT FACILITIES IMPROVEMENTS ⁸	SW	AAAACP	REGIONAL	\$ 15,028,319	\$ 334	\$ 14,747,873	\$ -	\$ 280,446	\$ 580	\$ 45,176	\$ -	\$ -	\$ -	\$ -	\$ 45,756	\$ 234,690	\$ -	\$ 234,690	\$ -		
K-5	CUW168	ALAMEDA CREEK FISH RELEASE	SW	AAAACP	REGIONAL	\$ 1,537,398	\$ 100,642	\$ 1,094,937	\$ 125,057	\$ 317,404	\$ 11,523	\$ 67,487	\$ 31,045	\$ 2,233	\$ (6,684)	\$ -	\$ 105,604	\$ 336,857	\$ 7,068	\$ 329,789	\$ -		
K-5	CUW202	SAN ANTONIO PIPELINE EMERGENCY REPAIR	SW	AAAACP	REGIONAL	\$ 1,400,000	\$ (339,465)	\$ 923,712	\$ 16,032	\$ 460,256	\$ 5,936	\$ 5,366	\$ -	\$ -	\$ -	\$ -	\$ 11,302	\$ 464,986	\$ -	\$ 464,986	\$ -		
K-5	CUW210	MILLBRAE ADMIN BLDG INTERIM REMODEL ⁸	SW	AAAACP	REGIONAL	\$ 2,407,700	\$ 284,902	\$ 1,935,204	\$ 160	\$ 472,336	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 472,496	\$ -	\$ 472,496	\$ -		
K-5	CUW227	WATERSHED FENCES/FACILITIES ⁸	SW	AAAACP	REGIONAL	\$ 3,000,000	\$ 530,822	\$ 2,548,376	\$ 494,574	\$ (42,950)	\$ 221,715	\$ 38,212	\$ -	\$ -	\$ -	\$ -	\$ 259,927	\$ 191,697	\$ -	\$ 191,697	\$ -		
K-5	CUW228	WATERSHED ROADS RECONSTRUCTION ⁸	SW	AAAACP	REGIONAL	\$ 5,170,000	\$ 85,843	\$ 4,415,913	\$ 2,742	\$ 751,345	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 754,087	\$ -	\$ 754,087	\$ -		
K-5	CUW231	MILLBRAE LAB CAPITAL IMPROVEMENTS ⁸	SW	AAAACP	REGIONAL	\$ 770,000	\$ 40,678	\$ 553,694	\$ -	\$ 216,306	\$ 42,703	\$ 54,851	\$ -	\$ -	\$ -	\$ -	\$ 97,554	\$ 118,752	\$ -	\$ 118,752	\$ -		
K-5	CUW241	FACILITIES MAINT SUPPORT STRUCTURES ⁸	SW	AAAACP	REGIONAL	\$ 5,000,000	\$ 8,390	\$ 4,988,882	\$ -	\$ 11,118	\$ 1,745	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,745	\$ 9,373	\$ -	\$ 9,373	\$ -		
K-5	CUW242	DEMOLITION UNSAFE STRUCTURES ⁸	SW	AAAACP	REGIONAL	\$ 1,000,000	\$ 24,867	\$ 410,040	\$ 21,524	\$ 568,436	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 589,960	\$ -	\$ 589,960	\$ -		
K-5	CUW250	WATERSHED TRAILS & RECREATION IMPROV ⁸	SW	AAAACP	REGIONAL	\$ 387,639	\$ 9,431	\$ 112,689	\$ 11,233	\$ 263,717	\$ 4,558	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,558	\$ 270,392	\$ -	\$ 270,392	\$ -		
K-5	CUW253	FACILITIES SECURITY PROJECT ^{1,5}	SW	AAAACP	REGIONAL	\$ 5,300,000	\$ 234,328	\$ 4,308,224	\$ 142,789	\$ 848,987	\$ 142,346	\$ 100,591	\$ 748,839			\$ 991,776	\$ -	\$ -	\$ -	\$ -			
K-5	CUW257	WATER PROTECTION ^{1,5}	SW	AAAACP	REGIONAL	\$ 1,448,720	\$ 113,871	\$ 497,747	\$ 481,704	\$ 469,269	\$ 357,690	\$ 593,283	\$ -	\$ -	\$ -	\$ -	\$ 950,973	\$ -	\$ -	\$ -	\$ -		
K-5	CUW261	REGIONAL WATER STORAGE RNR - BUDGET ^{1,5}	SW	AAAACP	REGIONAL	\$ 1,750,000	\$ 430,990	\$ 706,684	\$ 283,219	\$ 760,097	\$ 1,043,316	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,043,316	\$ -	\$ -	\$ -	\$ -		
K-5	CUW262	TREATMENT FACS/WQ IMPROVE - BUDGET ⁸	SW	AAAACP	REGIONAL	\$ 4,801,000	\$ 896,697	\$ 3,201,827	\$ 293,371	\$ 1,305,802	\$ 622,441	\$ 473,078	\$ 33,103	\$ 24,981	\$ -	\$ -	\$ 1,153,603	\$ 445,570	\$ -	\$ -	\$ 445,570		
K-5	CUW263	CONVEYANCE/TRANSMISSION - BUDGET ⁸	SW	AAAACP	REGIONAL	\$ 7,825,000	\$ 1,404,501	\$ 4,019,441	\$ 381,217	\$ 3,424,342	\$ 2,062,574	\$ 749,747	\$ 217,706	\$ 1,642	\$ 446,362	\$ -	\$ 3,478,031	\$ 327,528	\$ 327,528	\$ -	\$ -		
K-5	CUW264	WATERSHED ROADS - BUDGET ⁸	SW	AAAACP	REGIONAL	\$ 3,000,000	\$ 202,638	\$ 1,517,064	\$ 145,665	\$ 1,337,271	\$ 687,176	\$ 473,915	\$ 69,916	\$ 17,763	\$ 118,158	\$ 1,753	\$ 1,368,681	\$ 114,255	\$ -	\$ -	\$ 114,255		
K-5	CUW127	INST SCADA SYSTEM ^{7,8}	SW	AAAACP	LOCAL/REGIONAL	\$ 13,156,681	\$ 6,221,108	\$ 12,393,475	\$ -	\$ 763,206	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 763,206	\$ -	\$ 763,206	\$ -		
K-5	CUW392	PROGRAM MANAGEMENT SERVICES - WSIF ^{2,4,8,10}	SW	AAAACP	LOCAL/REGIONAL	\$ 1,000,000	\$ (92,112)	\$ 758,065	\$ 33,289	\$ 208,646	\$ -	\$ 2	\$ -	\$ -	\$ -	\$ -	\$ 2	\$ 241,933	\$ -	\$ 241,933	\$ -		
K-5	CUW710	OCIP PROJECT CONTROL ^{2,8}	SW	AAAACP	LOCAL/REGIONAL	\$ 2,497,881	\$ 235,706	\$ 2,496,959	\$ -	\$ 922	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 922	\$ -	\$ 922	\$ -		
	CUH977-03	HH MATHER FACILITIES	ST	AAAACP	Local	\$ 73,000	\$ 13,327	\$ 55,989	\$ -	\$ 17,011	\$ 17,011	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,011	\$ -	\$ -	\$ -	\$ -		
TOTAL ALL PROJECTS PER K-5						\$ 118,189,672	\$ 10,579,063	\$ 101,421,685	\$ 2,480,523	\$ 14,287,464	\$ 5,282,240	\$ 2,610,385	\$ 1,100,609	\$ 46,619	\$ 557,836	\$ 1,753	\$ 9,599,442	\$ 7,168,545	\$ 334,596	\$ 6,274,124	\$ -	\$ 559,825	
LOCAL PROJECTS						\$ 73,000	\$ 13,327	\$ 55,989	\$ -	\$ 17,011	\$ 17,011	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,011	\$ -	\$ -	\$ -	\$ -	\$ -	
JOINT LOCAL AND REGIONAL PROJECTS						\$ 16,654,562	\$ 6,364,702	\$ 15,648,499	\$ 33,289	\$ 972,774	\$ -	\$ 2	\$ -	\$ -	\$ -	\$ -	\$ 2	\$ 1,006,061	\$ -	\$ 1,006,061	\$ -	\$ -	
REGIONAL PROJECTS						\$ 101,462,110	\$ 4,201,034	\$ 85,717,197	\$ 2,447,234	\$ 13,297,679	\$ 5,265,229	\$ 2,610,383	\$ 1,100,609	\$ 46,619	\$ 557,836	\$ 1,753	\$ 9,582,429	\$ 6,162,484	\$ 334,596	\$ 5,268,063	\$ -	\$ 559,825	
TOTAL ALL PROJECTS PER K-5						\$ 118,189,672	\$ 10,579,063	\$ 101,421,685	\$ 2,480,523	\$ 14,287,464	\$ 5,282,240	\$ 2,610,385	\$ 1,100,609	\$ 46,619	\$ 557,836	\$ 1,753	\$ 9,599,442	\$ 7,168,545	\$ 334,596	\$ 6,274,124	\$ -	\$ 559,825	
Proportional Water Use per J-Table						(BB)					66.67%	65.86%	65.83%	66.56%	67.63%	65.67%							
Wholesale Share before Customer Information System						(C1) = (AA) x (BB)					\$ 3,510,328	\$ 1,719,198	\$ 724,531	\$ 31,030	\$ 377,264	\$ 1,151	\$ 6,363,503						
Addition to K-5	CUW690	CUSTOMER INFORMATION SYSTEM ³	SW	AAAACP	LOCAL/REGIONAL	\$ 8,856,574	\$ 3,786,403	\$ 5,757,389	\$ 1,384,017	\$ 1,715,168	\$ 2,400,419	\$ 47,133	\$ 523,304	\$ 40,839	\$ 24,696	\$ -	\$ 3,036,391	\$ 62,794	\$ 51,242	\$ 11,552	\$ -	\$ -	
Water Regional share (49.7% of Customer Information System up to FY 2013 and 51.2% for FY 2014)											\$ 1,193,008	\$ 23,425	\$ 260,082	\$ 20,297	\$ 12,644	\$ -	\$ 1,509,457						
Wholesale share (2% from Water Regional share)						(C2)					\$ 23,860	\$ 469	\$ 5,202	\$ 406	\$ 253	\$ -	\$ 30,189						
Wholesale Share after Customer Information System						CC = (C1 + C2)					\$ 3,534,188	\$ 1,719,667	\$ 729,733	\$ 31,436	\$ 377,517	\$ 1,151	\$ 6,393,692						
Pooled Interest Rate in FY 2010-11						(DD1)					1.24%	-	-	-	-	-							
Pooled Interest Rate in FY 2011-12						(DD2)					1.11%	1.11%	-	-	-	-							
Pooled Interest Rate in FY 2012-13						(DD3)					0.85%	0.85%	0.85%										
Pooled Interest Rate in FY 2013-14						(DD4)					0.663%	0.663%	0.663%	0.663%									
Estimated Pooled Interest Rate in FY 2014-15 (as of March 31, 2015)						(DD5)					0.499%	0.499%	0.499%	0.499%	0.499%	0.499%							
Interest Amount in FY 2010-11						(EE1) = (CC) x (DD1)					\$ 43,824	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,824						
Interest Amount in FY 2011-12						(EE2) = (CC) x (DD2)					\$ 39,229	\$ 19,088	\$ -	\$ -	\$ -	\$ -	\$ 58,318						
Interest Amount in FY 2012-13						(EE3) = (CC) x (DD3)					\$ 30,041	\$ 14,617	\$ 6,203	\$ -	\$ -	\$ -	\$ 50,860						
Interest Amount in FY 2013-14						(EE4) = (CC) x (DD4)					\$ 23,432	\$ 11,401	\$ 4,838	\$ 208	\$ -	\$ -	\$ 39,880						
Estimated Interest Amount in FY 2014-15 (as of March 31, 2015)						(EE5) = (CC) x (DD5)					\$ 17,636	\$ 8,581	\$ 3,641	\$ 157	\$ 1,884	\$ 6	\$ 31,905						
Balance due from Wholesale Customers						(FF) = (CC) + (EE1) + (EE2) + (EE3) + (EE4) + (EE5)					\$ 3,688,350	\$ 1,773,355	\$ 744,415	\$ 31,801	\$ 379,401	\$ 1,157	\$ 6,618,478						

					(A)	(B)	(C)	(D) = (A) - (B) - (C)	(E1)	(E2)	(E3)	(E4)	(E5)	(E6)	(F) = (E1) + (E2) + (E3)+(E4)+(E5) + (E6)	(G) = (C) + (D) - (E)	(H)	(I)	(J) = (A) - (B) - (E) - (G) - (H) - (I)		
Project	Project Title	Fund Type	Subfund	Classification	Appropriation	YTD Expenditures	PTD Expenditures	Encumbrances	Available Balance	Expenditures in						Total Expenditures	Unused Balance	Encumbrances As of June 30, 2015	Appropriation Transfer Out through Closeout Process As of June 30, 2015	DEOBLIGATE / OBLIGATION As of June 30, 2015	Unexpended Balances of Appropriation after Closeout and Deobligate As of June 30, 2015
					As of June 30, 2009	As of June 30, 2009	As of June 30, 2009	As of June 30, 2009	As of June 30, 2009	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	YTD FY 2014-15						
	Pooled Interest Rate in FY 2010-11		(DDD1)							1.24%	-	-	-	-	-						
	Pooled Interest Rate in FY 2011-12		(DDD2)							1.11%	1.11%	-	-	-	-						
	Pooled Interest Rate in FY 2012-13		(DDD3)							0.85%	0.85%	0.85%									
	Pooled Interest Rate in FY 2013-14		(DDD4)							0.663%	0.663%	0.663%	0.663%								
	Estimated Pooled Interest Rate in FY 2014-15 (as of March 31, 2015)		(DDD5)							0.499%	0.499%	0.499%	0.499%	0.499%	0.499%						
	Interest Amount in FY 2010-11		(EEE1) = (CCC) x (DDD1)							\$ 25,884	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,884					
	Interest Amount in FY 2011-12		(EEE2) = (CCC) x (DDD2)							\$ 23,171	\$ 5,978	\$ -	\$ -	\$ -	\$ -	\$ 29,148					
	Interest Amount in FY 2012-13		(EEE3) = (CCC) x (DDD3)							\$ 17,743	\$ 4,577	\$ 1,006	\$ -	\$ -	\$ -	\$ 23,327					
	Interest Amount in FY 2013-14		(EEE4) = (CCC) x (DDD4)							\$ 13,840	\$ 3,570	\$ 785	\$ 277	\$ -	\$ -	\$ 18,195					
	Estimated Interest Amount in FY 2014-15 (as of March 31, 2015)		(EEE5) = (CCC) x (DDD5)							\$ 10,416	\$ 2,687	\$ 591	\$ 209	\$ 106	\$ 27	\$ 13,694					
	Balance due from Wholesale Customers		(FFF) = (CCC) + (EEE1) + (EEE2) + (EEE3) + (EEE4) + (EEE5)							\$ 2,178,506	\$ 555,338	\$ 120,777	\$ 42,279	\$ 21,384	\$ 5,538	\$ 2,923,204					

Notes:

- 1 Total expenditure only included amount up to the Unused Balance.
- 2 Expenditures under projects CUW392 and CUW710 were re-allocated to various projects. As a result, there are zero balance in expenditures for these projects.
- 3 Project CUW690 - Customer Care & Billing System will be specially allocated due to limit to Customer Services % (2%) in WSA contract section 5.05E.
- 4 There is a difference in Appropriation Balance as of March 31, 2009 vs. June 30, 2009.
- 5 Actual expenditures exceed available fund balance, assume the exceed expenditures are from encumbrances.
- 6 This project has been closed out as of June 6, 2013.
- 7 This project is split 64.3%/35.7%, Joint/City) per Revised Attachment K-2.
- 8 This project has been closed out as of June 30, 2012.
- 9 Project is included as part of the revenue funded capital project.
- 10 Project is included as part of the Water Enterprise revenue bond funded capital project.
- 11 Projects CUH975 and CUH977 were funded by revenue in FY 2009-10 and FY 2010-11. However, starting in FY 2011-12, these two projects were funded by Water Revenue Bond Series 2011B. As a result, Wholesale Customers were refunded \$10,838,326 (\$10,519,682 collected in FY 2009-10 and FY 2010-11 plus interest of \$318,644) in FY 2011-12.
- 12 Intentionally left blank.
- 13 There is a difference in Appropriation Balance as of March 31, 2009 vs. June 30, 2009.
- 14 Per discussion with Carlos Jacobo, project CUH810 is a custom work project and should be "POWER" not "JOINT". These custom works are mainly for street light maintenance.

ATTACHMENT L-1
IDENTIFICATION OF WSIP PROJECTS AS REGIONAL/RETAIL
(Section 5.04)

Project Number		Project Description
REGIONAL		
San Joaquin Region		
CUW373	Regional	San Joaquin Pipeline System Rehabilitation
CUW384	Regional	Tesla Advance Disinfection
CUW387	Regional	Tesla Portal Disinfection
Sunol Valley Region		
CUW352	Regional	Alameda Creek Fishery Enhancement
CUW355	Regional	Stand-by Power - Various Locations
CUW359	Regional	New Irvington Tunnel/Alameda Siphon No. 4
CUW370	Regional	Pipeline Readiness Improvements
CUW374	Regional	Calaveras Dam Replacement
CUW381	Regional	SVWTP 40 mgd Addition
CUW382	Regional	SVWTP Finished Water Reservoir
CUW386	Regional	San Antonio Pump Station Upgrade
Bay Division Region		
CUW353	Regional	Seismic Upgrade BDPL 3 & 4
CUW363	Regional	SCADA Phase II/Security Upgrades
CUW368	Regional	BDPL Reliability Upgrades
CUW380	Regional	BDPL 3 & 4 Crossover
CUW389	Regional	EBMUD Intertie
CUW393	Regional	BDPL 4 Slipline
Peninsula Region		
CUW354	Regional	Lower Crystal Springs Dam Improvement
CUW356	Regional	Crystal Springs Bypass Tunnel
CUW357	Regional	Adit Leak Repairs
CUW361	Regional	Pulgas Balancing Reservoir Rehabilitation and Improvements
CUW365	Regional	Cross Connection Control
CUW366	Regional	HTWTP Short Term Improvements
CUW367	Regional	HTWTP Long Term Improvements
CUW369	Regional	Capuchino Valve Lot Improvements
CUW371	Regional	Crystal Springs/San Andreas Transmission
CUW378	Regional	Crystal Springs Pipeline 2 Replacement
CUW379	Regional	San Andreas Pipeline 3 Installation
CUW390	Regional	Desalination
CUW391	Regional	Baden & San Pedro Valve Lots Improvements

ATTACHMENT L-1
IDENTIFICATION OF WSIP PROJECTS AS REGIONAL/RETAIL
(Section 5.04)

Project Number		Project Description
San Francisco Region		
CUW358	Regional	Sunset Reservoir Upgrades - North Basin
CUW372	Regional	University Mound Reservoir Upgrades - North Basin
System-Wide		
CUW388	Regional	PEIR
CUW392	Regional	Program Management Services
CUW394	Regional	Watershed Land Acquisition
RETAIL		
Reservoirs		
CUW307	Local	Summit Reservoir Rehabilitation
CUW310	Local	New Northwest Reservoir
CUW319	Local	Hunters Point Reservoir Rehabilitation
CUW334	Local	Stanford Heights Reservoir Rehabilitation
CUW335	Local	Potrero Heights Reservoir Rehabilitation
CUW337	Local	Sutro Reservoir Rehabilitation
Pump Stations/Tanks		
CUW306	Local	Crocker Amazon Pump Station Upgrade
CUW309	Local	Lake Merced Pump Station Upgrade
CUW314	Local	La Grande Tank Upgrade
CUW318	Local	Forest Hill Tank Rehabilitation
CUW320	Local	Forest Hill Pump Station Upgrade
CUW321	Local	Forest Knoll Pump Station Upgrade
CUW322	Local	Lincoln Park Pump Station Upgrade
CUW323	Local	Aleman Pump Station Upgrade
CUW324	Local	Mount Davidson Pump Station Upgrade
CUW326	Local	Palo Alto Pump Station Upgrade
CUW326	Local	Sktview-AquaVista Pump Station Upgrade
CUW327	Local	Summit Pump Station Upgrade
CUW328	Local	McLaren #1 Tank Rehabilitation
CUW329	Local	Potrero Heights Tank Seismic Upgrade
CUW330	Local	Forest Knoll Tank Seismic Upgrade
CUW331	Local	Lincoln Park Tank Seismic Upgrade
CUW332	Local	McLaren #2 Tank Rehabilitation
CUW333	Local	Mount Davidson Tank Seismic Upgrade
CUW338	Local	La Grande Pump Station Upgrade
CUW339	Local	Potrero Heights Pump Station Upgrade
CUW340	Local	Vista Francisco Pump Station Upgrade

ATTACHMENT L-1
IDENTIFICATION OF WSIP PROJECTS AS REGIONAL/RETAIL
(Section 5.04)

Project Number		Project Description
Pipelines/Valves		
CUW304	Local	North University Mound System Upgrade
CUW308	Local	Motorize Key Valves
CUW311	Local	Sunset Circulation Improvements
CUW312	Local	Lincoln Way Transmission Line
CUW313	Local	Noe Valley Transmission Main, Phase 2
CUW315	Local	East/West Transmission Main
CUW316	Local	Fulton @ Sixthe Ave Main Replacement
Water Supply/Water Quality		
CUW301	Local	Groundwater
CUW302	Local	Recycled Water
CUW364	Local	Lawrence-Livermore National Laboratory Water Quality Improvements
Miscellaneous		
CUW303	Local	Vehicle Service Facility Upgrade
CUW305	Local	Fire Protection at CCD

03/13/06

\$507,815,000
PUBLIC UTILITIES COMMISSION
OF THE CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO WATER REVENUE BONDS, 2006 SERIES A

\$110,065,000
PUBLIC UTILITIES COMMISSION
OF THE CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO WATER REVENUE BONDS, 2006 REFUNDING SERIES B

CERTIFICATE REGARDING USE OF PROCEEDS

The undersigned hereby states and certifies as follows:

(i) The undersigned is the General Manager of the Public Utilities Commission of the City and County of San Francisco (the "Commission"), and is authorized to execute this certificate on behalf of the Commission and is knowledgeable with respect to the matters set forth herein.

(ii) On the date hereof, the Commission is issuing the two series of bonds captioned above (the "2006 Series A Bonds," the "2006 Refunding Series B Bonds" and, together, the "Bonds") pursuant to an Amended and Restated Indenture dated as of August 1, 2002 and the First Supplemental Indenture dated as of March 1, 2006 (collectively, the "Indenture"), both by and between the Commission and U.S. Bank National Association, as trustee (the "Trustee").

(iii) The Trustee will transfer and deposit the proceeds of the 2006 Series A Bonds received by the Trustee on the date hereof as follows:

(1) \$48,212,528.32 will be deposited in the 2006 Series A Capitalized Interest Account established within the Interest Fund;

(2) \$15,958,031.25 will be deposited in the 2006 Series A Reserve Account of the Bond Reserve Fund;

(3) \$623,906.09 will be deposited in the 2006 Series A Costs of Issuance Fund;

(4) \$120,622,352.19 will be deposited in the 2006 Series A Refunding Fund and transferred pursuant to Irrevocable Refunding Instructions of the Commission dated the date hereof; and

(5) the remaining \$338,600,816.86 will be transferred to the Treasurer for deposit to the 2006 Series A Project Fund.

(iv) The proceeds of the 2006 Series A Bonds transferred pursuant to the Irrevocable Refunding Instructions of the Commission will be used to defease and refund the Commission's Commercial Paper Notes (Water Series) on a current basis. The Notes were issued to finance a portion of the facilities described in Exhibit A hereto.

(v) The proceeds of the Bonds deposited in the 2006 Series A Project Fund will be used to finance a portion of the facilities described in Exhibit A hereto.

(vi) The Trustee will transfer and deposit the proceeds of the 2006 Refunding Series B Bonds received by the Trustee on the date hereof as follows:

(1) \$192,498.04 will be deposited in the 2006 Refunding Series B Costs of Issuance Fund; and

(2) \$111,178,241.95 will be deposited in the 2006 Refunding Series B Refunding Fund.

(vii) The proceeds of the Bonds deposited in the 2006 Refunding Series B Refunding Fund, together with amounts on deposit in the funds and accounts established under the Indenture for the Commission's San Francisco Water Revenue Bonds, 1996 Series A (the "1996 Series A Bonds") and its San Francisco Water Revenue Bonds, 2001 Series A (the "2001 Series A Bonds"), will be used to refund on an advance basis a portion of the outstanding 1996 Series A Bonds and a portion of the outstanding 2001 Series A Bonds. The portion of the 1996 Series A Bonds being refunded were issued to finance the facilities (the "1996 Project") described in Exhibit B hereto, and the portion of the 2001 Series A Bonds being refunded were used to finance the facilities (the "2001 Project") described in Exhibit B hereto.

(viii) Exhibit C hereto attached describes (A) each use to be made by any person of the Project, the 1996 Project and the 2001 Project other than use by the Commission and other non-federal governmental units and other than use by members of the public generally, and (B) payments (if any) directly or indirectly in respect of such use which are to be made after the date hereof;

(ix) Other than as set forth in Exhibit A and Exhibit B, no portion of the proceeds of the Bonds will be used, directly or indirectly, to make or finance a loan to any person (other than a State or local government unit) or to acquire property which will be sold or leased to any person (other than a State or local government unit) on an installment a sale basis except as referenced in Exhibit C.

(x) The Commission expects to use the Project for the purposes referenced and discussed in Exhibit A, Exhibit B, Exhibit C and Exhibit D or for other governmental purposes of the Commission during the entire term of the Bonds.

(xi) Set forth on Exhibit D is the Commission's methodology for determining governmental use and private use with respect to the water enterprise.

(xii) To the best knowledge of the undersigned, the above statements are reasonable and there are no other facts, estimates or circumstances, other than those set forth herein, that would materially affect the statements made herein.

Capitalized terms used but not defined herein have the meanings set forth in the Indenture.

IN WITNESS WHEREOF, I have hereunto set my name this 15th day of March, 2006.

PUBLIC UTILITIES COMMISSION OF THE
CITY AND COUNTY OF SAN FRANCISCO

By: 

General Manager

ATTACHMENT L-2 (CONTINUED)
WATER ENTERPRISE REVENUE BOND 2006 SERIES A
SUMMARY OF SOURCES AND USES OF FUNDS
(Section 5.04)

Source: Closing Documents (Certificate Regarding Use of Proceeds)

Proceeds

Principal	507,815,000.00
Plus Premium	19,109,138.35
Minus Underwriter's Discount	(932,940.06)
Minus Insurance	<u>(1,973,563.58)</u>
Net Proceeds	524,017,634.71

Use of Proceeds

Capitalized Interest Fund	48,212,528.32	
Bond Reserve Fund	15,958,031.25	
Insurance Fund	623,906.09	
Series A Refunding Fund	120,622,352.19	} 459,223,169.05
Series A Project Fund	<u>338,600,816.86</u>	
Total Uses	524,017,634.71	

	Commercial Paper	Project Fund	Total
Hetch Hetchy			
Tesla Portal Disinfection	251,262.58	1,147,302.42	1,398,565.00
Advance Disinfection	429,714.76	5,611,554.24	6,041,269.00
SJPL	<u>4,737,937.28</u>	<u>17,784,667.72</u>	<u>22,522,605.00</u>
Total Hetch Hetchy	5,418,914.62	24,543,524.38	29,962,439.00
SF Regional			
University Mound - North	55,728.10	5,964,279.90	6,020,008.00
Sunset - North	7,525,896.84	28,782,094.16	36,307,991.00
Groundwater	3,400,973.67	2,963,110.33	6,364,084.00
Recycled Water	<u>1,548,036.76</u>	<u>11,316,958.24</u>	<u>12,864,995.00</u>
Total SF Regional	12,530,635.37	49,026,442.63	61,557,078.00
SF Local	45,405,787.71	106,407,313.30	151,813,101.01
Sunol Valley Subregional			
Calaveras Dam	9,065,945.51	15,993,818.49	25,059,764.00
Stand-by Power	556,398.67	1,207,319.33	1,763,718.00
Pipeline Readiness	649,566.31	4,942,205.69	5,591,772.00
SAPS Upgrade	213,423.44	1,748,134.56	1,961,558.00
SVWTP Finished Water Res	3,317,203.82	7,838,383.18	11,155,587.00
Irvington Tunnel	4,084,139.65	18,247,176.35	22,331,316.00
Alameda Creek Fishery	656,765.00	1,327,119.00	1,983,884.00
SVWTP 40 mgd Addition	<u>25,378.75</u>	<u>3,474,585.25</u>	<u>3,499,964.00</u>
Total Sunol Valley Subregional	18,568,821.15	54,778,741.85	73,347,563.00

ATTACHMENT L-2 (CONTINUED)
WATER ENTERPRISE REVENUE BOND 2006 SERIES A
SUMMARY OF SOURCES AND USES OF FUNDS
(Section 5.04)

Miscellaneous				
PEIR	3,204,177.44	5,103,872.56	8,308,050.00	
PPPCMS Services	2,964,786.31	10,358,811.69	13,323,598.00	
Watershed Land Acquisition	-	502,660.00	502,660.00	
Total Miscellaneous	6,168,963.75	15,965,344.25	22,134,308.00	
LLNL	133,156.60	282,702.40	415,859.00	
Bay Division Subregional				
Seismic Upgrade BDPL 3 & 4	4,758,306.54	16,481,539.46	21,239,846.00	
BDPL Reliability	4,360,664.44	40,874,800.56	45,235,465.00	
BDPL 3 & 4 Crossover	802,494.94	493,817.06	1,296,312.00	
SCADA Phase II	65,497.37	1,247,963.63	1,313,461.00	
EBMUD Intertie	6,668,906.37	4,075,015.63	10,743,922.00	
BDPL 4 Slipline	-	1,219,251.00	1,219,251.00	
Total Bay Division Subregional	16,655,869.66	64,392,387.34	81,048,257.00	
Peninsula Subregional				
Capuchino Valve Lot	162,584.69	753,779.31	916,364.00	
CS/SA Transmission	2,288,853.10	3,448,975.90	5,737,829.00	
Adit Leak Repair	255,334.99	1,650,368.01	1,905,703.00	
HTWTP Short Term	2,874,763.69	3,582,860.31	6,457,624.00	
Cross Connection Control	1,150,559.48	324,549.52	1,475,109.00	
CS Bypass Tunnel	2,873,475.22	15,532,584.78	18,406,060.00	
LCS Dam Improvement	931,587.07	3,278,932.93	4,210,520.00	
Pulgas Balancing Reservoir	1,218,341.39	2,706,284.61	3,924,626.00	
HTWTP Long Term	1,107,185.77	2,549,793.23	3,656,979.00	
Baden & San Pedro Valve Lots	60,203.48	2,963,540.52	3,023,744.00	
Total Peninsula Subregional	12,922,888.88	36,791,669.12	49,714,558.00	
San Francisco Subregional				
CSPL 2 Replacement	1,269,111.95	5,019,824.05	6,288,936.00	
SAPL 3	1,492,584.40	1,942,479.60	3,435,064.00	
Desalination	55,618.10	596,473.90	652,092.00	
Total San Francisco Subregional	2,817,314.45	7,558,777.55	10,376,092.00	
Grand Total	120,622,352.19	359,746,902.82	480,369,255.01	
Regional			328,140,295.00	68.31%
Local			152,228,960.01	31.69%
			480,369,255.01	

This certificate is for illustration only. It was prepared in 2006 and shown groundwater and recycled water projects as regional instead of local. In addition, it does not reflect expenditures for the portions of regional assets which in rate base as of June 30, 2008 nor what is expected to be added to rate base through June 30, 2009. For these reasons, the percentages shown for regional and local projects are not accurate.

ATTACHMENT L-3
WATER ENTERPRISE REVENUE BOND 2006 SERIES A
ANNUAL REPORT ON EXPENDITURES OF AND EARNINGS ON PROCEEDS
AS OF JUNE 30, 2009
(Section 5.04 A)

Project Number		Project Description	Net Financing Proceeds ¹	Appropriated Interest Earnings ²	Adjusted Project Funding	Expenditures Thru 6/30/09 ³	Remaining Balance
REGIONAL PROGRAM							
		San Joaquin Region					
CUW373	Regional	San Joaquin Pipeline System Rehabilitation	1,398,565				
CUW384	Regional	Tesla Advance Disinfection	6,041,269				
CUW387	Regional	Tesla Portal Disinfection	22,522,605				
		Total San Joaquin Region	29,962,439				
		Sunol Valley Region					
CUW352	Regional	Alameda Creek Fishery Enhancement	1,983,884				
CUW355	Regional	Stand-by Power - Various Locations	1,763,718				
CUW359	Regional	New Irvington Tunnel/Alameda Siphon No. 4	22,331,316				
CUW370	Regional	Pipeline Readiness Improvements	5,591,772				
CUW374	Regional	Calaveras Dam Replacement	25,059,764				
CUW381	Regional	SVWTP 40 mgd Addition	3,499,964				
CUW382	Regional	SVWTP Finished Water Reservoir	11,155,587				
CUW386	Regional	San Antonio Pump Station Upgrade	1,961,558				
		Total Sunol Valley Region	73,347,563				
		Bay Division Region					
CUW353	Regional	Seismic Upgrade BDPL 3 & 4	21,234,846				
CUW363	Regional	SCADA Phase II/Security Upgrades	1,313,461				
CUW368	Regional	BDPL Reliability Upgrades	45,235,465				
CUW380	Regional	BDPL 3 & 4 Crossover	21,239,846				
CUW389	Regional	EBMUD Intertie	10,743,922				
CUW393	Regional	BDPL 4 Slipline	1,219,251				
		Total Bay Division Region	100,986,791				
		Peninsula Region					
CUW354	Regional	Lower Crystal Springs Dam Improvement	4,210,520				
CUW356	Regional	Crystal Springs Bypass Tunnel	18,406,090				
CUW357	Regional	Adit Leak Repairs	1,905,703				
CUW361	Regional	Pulgas Balancing Reservoir Rehabilitation and Improvements	3,824,626				
CUW365	Regional	Cross Connection Control	1,475,109				
CUW366	Regional	HTWTP Short Term Improvements	6,457,624				
CUW367	Regional	HTWTP Long Term Improvements	3,656,979				
CUW369	Regional	Capuchino Valve Lot Improvements	916,364				
CUW371	Regional	Crystal Springs/San Andreas Transmission	5,737,829				
CUW378	Regional	Crystal Springs Pipeline 2 Replacement	6,288,936				
CUW379	Regional	San Andreas Pipeline 3 Installation	3,435,064				
CUW390	Regional	Desalination	652,092				
CUW391	Regional	Baden & San Pedro Valve Lots Improvements	3,023,744				
		Total Peninsula Region	60,090,650				
		San Francisco Region					
CUW358	Regional	Sunset Reservoir Upgrades - North Basin	6,020,008				
CUW372	Regional	University Mound Reservoir Upgrades - North Basin	36,307,991				
		Total San Francisco Region	42,327,999				
		System-Wide					
CUW388	Regional	PEIR	8,308,050				
CUW392	Regional	Program Management Services	13,323,598				
CUW394	Regional	Watershed Land Acquisition	502,660				
		Total System-Wide	22,134,308				
		Total Regional Program	328,849,750				
LOCAL PROGRAM							
		Reservoirs					
CUW307	Local	Summit Reservoir Rehabilitation					
CUW310	Local	New Northwest Reservoir					
CUW319	Local	Hunters Point Reservoir Rehabilitation					
CUW334	Local	Stanford Heights Reservoir Rehabilitation					
CUW335	Local	Potrero Heights Reservoir Rehabilitation					
CUW337	Local	Sutro Reservoir Rehabilitation					
		Total Reservoirs					
		Pump Stations/Tanks					
CUW306	Local	Crocker Amazon Pump Station Upgrade					
CUW309	Local	Lake Merced Pump Station Upgrade					
CUW314	Local	La Grande Tank Upgrade					
CUW318	Local	Forest Hill Tank Rehabilitation					
CUW320	Local	Forest Hill Pump Station Upgrade					
CUW321	Local	Forest Knoll Pump Station Upgrade					
CUW322	Local	Lincoln Park Pump Station Upgrade					
CUW323	Local	Alemany Pump Station Upgrade					
CUW324	Local	Mount Davidson Pump Station Upgrade					

WATER ENTERPRISE REVENUE BOND 2006 SERIES A
ANNUAL REPORT ON EXPENDITURES OF AND EARNINGS ON PROCEEDS
AS OF JUNE 30, 2009
(Section 5.04 A)

Project Number	Project Description	Net Financing Proceeds ¹	Appropriated Interest Earnings ²	Adjusted Project Funding	Expenditures Thru 6/30/09 ³	Remaining Balance
CUW326	Local Palo Alto Pump Station Upgrade					
CUW326	Local Sktview-AquaVista Pump Station Upgrade					
CUW327	Local Summit Pump Station Upgrade					
CUW328	Local McLaren #1 Tank Rehabilitation					
CUW329	Local Potrero Heights Tank Seismic Upgrade					
CUW330	Local Forest Knoll Tank Seismic Upgrade					
CUW331	Local Lincoln Park Tank Seismic Upgrade					
CUW332	Local McLaren #2 Tank Rehabilitation					
CUW333	Local Mount Davidson Tank Seismic Upgrade					
CUW338	Local La Grande Pump Station Upgrade					
CUW339	Local Potrero Heights Pump Station Upgrade					
CUW340	Local Vista Francisco Pump Station Upgrade					
Total Pump Stations/Tanks						
Pipelines/Valves						
CUW304	Local North University Mound System Upgrade					
CUW308	Local Motorize Key Valves					
CUW311	Local Sunset Circulation Improvements					
CUW312	Local Lincoln Way Transmission Line					
CUW313	Local Noe Valley Transmission Main, Phase 2					
CUW315	Local East/West Transmission Main					
CUW316	Local Fulton @ Sixth Ave Main Replacement					
Total Pipelines/Valves						
Water Supply/Water Quality						
CUW301	Local Groundwater					
CUW302	Local Recycled Water					
CUW364	Local Lawrence-Livermore National Laboratory Water Quality Improvements					
Total Water Supply/Water Quality						
Miscellaneous						
CUW303	Local Vehicle Service Facility Upgrade					
CUW305	Local Fire Protection at CCD					
Total Miscellaneous						
Total Local Program						
Grand Total Regional and Local Programs						
Unappropriated Interest Earnings						
Percent of Net Proceeds⁴						
Percent of Net Proceeds and Earnings⁴						

¹Net financing proceeds available on date of issue (i.e. deposit to project fund)

²Cumulative net of arbitrage rebate liability

³Cumulative

⁴If financing sources Substantially Expended, proceed allocations are then fixed

REVENUE-FUNDED CAPITAL ADDITIONS (Section 5.04.B)

Subfund: 5W CPF WCF - Wholesale Customer Capital Fund (Water)

ATTACHMENT M-1

Page 1 of 2

Projected FAMIS as of July 1, 2009 (Day 1 of New Budget Year)

Based on Proportionate Annual Water Deliveries of ...									
A	B	C	D	E	F	G=C-D-F	H	I=G-H	
Wholesale Customer Capital Fund (5W CPF WCF)									
Project	Title	FY 2009-10 Approved Budget - Total Regional	FY 2009-10 Approved Budget - WHOLESALE SHARE	Total Appropriation - All Years	Fiscal Year 2009-10 Actual Expenditures	Encumbered But Not Expended	Appropriated, Unencumbered Balance	Projected Expended & Encumbered through 6/30/2010	Projected Surplus / (Shortfall)
CUW262	Regional Water RnR - Treatment Facilities	\$ 1,000,000	\$ 687,000	\$ 687,000	\$ -	\$ -	\$ 687,000	\$ 229,000	\$ 458,000
CUW263	Regional Water RnR - Conveyance/Transmission Systems	\$ 7,000,000	\$ 4,809,000	\$ 4,809,000	\$ -	\$ -	\$ 4,809,000	\$ 1,603,000	\$ 3,206,000
CUW264	Regional Water - Watersheds / ROW Management	\$ 500,000	\$ 343,500	\$ 343,500	\$ -	\$ -	\$ 343,500	\$ 114,000	\$ 229,500
FUW100	Regional Water - Facilities Maintenance	\$ 3,700,000	\$ 2,541,900	\$ 2,541,900	\$ -	\$ -	\$ 2,541,900	\$ 847,000	\$ 1,694,900
CUW261	Regional Water - Storage								
Regional Total		\$ 12,200,000	\$ 8,381,400	\$ 8,381,400	\$ -	\$ -	\$ 8,381,400	\$ 2,793,000	\$ 5,588,400

Source: * SFPUC Commission Approved Budget, February 2009, Same Format
^ FAMIS - City's Official Financial System of Record

Ties to Budget Hearing Materials

REVENUE-FUNDED CAPITAL ADDITIONS (Section 5.04.B)

Subfund: 5W CPF WCF - Wholesale Customer Capital Fund (Water)

Projected FAMIS as of June 30, 2010 (Last Day of Budget Year)

Based on Proportionate Annual Water Deliveries of ...									
Wholesale Customer Capital Fund (5W CPF WCF)									
Project	Title	FY 2009-10 Approved Budget - Total Regional	FY 2009-10 Approved Budget - WHOLESALE SHARE	Total Appropriation - All Years	Fiscal Year 2009-10 Actual Expenditures	Encumbered But Not Expended	Appropriated, Unencumbered Balance	Projected Expended & Encumbered through 6/30/2011	Projected Surplus / (Shortfall)
CUW262	Regional Water RnR - Treatment Facilities	\$ 1,000,000	\$ 687,000	\$ 687,000	\$ 235,000	\$ -	\$ 452,000	\$ 409,000	\$ 43,000
CUW263	Regional Water RnR - Conveyance/Transmission Systems	\$ 7,000,000	\$ 4,809,000	\$ 4,809,000	\$ 1,395,000	\$ 25,000	\$ 3,389,000	\$ 1,589,000	\$ 1,800,000
CUW264	Regional Water - Watersheds / ROW Management	\$ 500,000	\$ 343,500	\$ 343,500	\$ 115,000	\$ 50,000	\$ 178,500	\$ 35,500	\$ 143,000
FUW100	Regional Water - Facilities Maintenance	\$ 3,700,000	\$ 2,541,900	\$ 2,541,900	\$ 850,000	\$ 123,000	\$ 1,568,900	\$ 768,900	\$ 800,000
CUW261	Regional Water - Storage								
Regional Total		\$ 12,200,000	\$ 8,381,400	\$ 8,381,400	\$ 2,595,000	\$ 198,000	\$ 5,588,400	\$ 2,802,400	\$ 2,786,000

Source: * SFPUC Commission Approved Budget, February 2009, Same Format
^ FAMIS - City's Official Financial System of Record

Shown On Attachment N-2, Schedule 3
Revenue Capital - Actual Expenditures

Shown on Attachment N-2, Schedule 3
Continuing Appropriation
Needed for Multi-Year
Revenue Funded Capital

Ties to Budget Hearing Materials
Shown on Attachment N-2, Schedule 3

REVENUE-FUNDED CAPITAL ADDITIONS (Section 5.04.B)
Subfund: 5T CPF WCF - Wholesale Customer Capital Fund (Hetch Hetchy)

Projected FAMIS as of July 1, 2009 (Day 1 of New Budget Year)

Based on Proportionate Annual Water Deliveries of ...									
Project Title	A	B	C	D	E	F	G-C-D-F	H	I-G-H
	68.1%								
	FY 2009-10 Approved Budget*	FY 2009-10 Approved Budget*	Wholesale Customer Capital Fund (SW CPF WCF)						
	Total Regional	SHARED	Total	Fiscal Year 2009-10 Actual Expenditures ^A	Encumbered But Not Expended ^A	Appropriated, Unencumbered Balance ^A	Projected Expended & Encumbered through 6/30/2010	Projected Surplus / (Shortfall)	
CUH931 HH Microwave Replacement	\$ 4,000,000	J \$ 1,224,900	\$ 1,224,900	\$ -	\$ -	\$ 1,224,900	\$ 408,000	\$ 816,900	
CUH977 HH Water R&R - Facilities Maintenance	\$ 3,500,000	J \$ 1,071,788	\$ 1,071,788	\$ -	\$ -	\$ 1,071,788	\$ 357,000	\$ 714,788	
CUH947 SEA - Go Solar Incentive Project	\$ 4,000,000	P \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
CUH971 Alternative Transmission Studies	\$ 1,000,000	P \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
CUH976 HH Water R&R - Power Infrastructure	\$ 16,700,000	P \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
CUH979 Hunters Point Municipal Power	\$ -	P \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
CUH983 Civic Center Sustainability District	\$ 1,090,000	P \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
CUH986 General Fund Dept - Energy Efficiency Renewable/Generation	\$ 7,365,158	P \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Treasure Island Improvement Project	\$ 3,501,307	P \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Enterprise Fund Dept - Energy Efficiency	\$ 325,722	P \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
CUH975 HH Water R&R - Water Infrastructure	\$ 6,000,000	W \$ 4,083,000	\$ 4,083,000	\$ -	\$ -	\$ -	\$ 1,361,000	\$ -	
Toulumne River Watershed Protection	\$ 2,000,000	W \$ 1,361,000	\$ 1,361,000	\$ -	\$ -	\$ -	\$ 454,000	\$ -	
Regional Total	\$ 52,182,187	\$ 7,740,688	\$ 7,740,688	\$ -	\$ -	\$ 2,296,688	\$ 2,580,000	\$ 1,531,688	

Source: * SFPLC Commission Approved Budget, February 2009, Same Format
^ FAMIS - City's Official Financial System of Record

Ties to Budget Hearing Materials

REVENUE-FUNDED CAPITAL ADDITIONS (Section 5.04.B)
Subfund: 5T CPF WCF - Wholesale Customer Capital Fund (Hetch Hetchy)

Projected FAMIS as of June 30, 2010 (Last Day of Budget Year)

Based on Proportionate Annual Water Deliveries of ...									
Project Title	A	B	C	D	E	F	G-C-D-F	H	I-G-H
	68.1%								
	FY 2009-10 Approved Budget*	FY 2009-10 Approved Budget*	Wholesale Customer Capital Fund (SW CPF WCF)						
	Total Regional	SHARED	Total	Fiscal Year 2009-10 Actual Expenditures ^A	Encumbered But Not Expended ^A	Appropriated, Unencumbered Balance ^A	Projected Expended & Encumbered through 6/30/2011	Projected Surplus / (Shortfall)	
CUH931 HH Microwave Replacement	\$ 4,000,000	J \$ 1,224,900	\$ 1,224,900	\$ 1,224,900	\$ -	\$ -	\$ -	\$ -	
CUH977 HH Water R&R - Facilities Maintenance	\$ 3,500,000	J \$ 1,071,788	\$ 1,071,788	\$ 1,071,788	\$ -	\$ (1)	\$ (1)	\$ -	
CUH947 SEA - Go Solar Incentive Project	\$ 4,000,000	P \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
CUH971 Alternative Transmission Studies	\$ 1,000,000	P \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
CUH976 HH Water R&R - Power Infrastructure	\$ 16,700,000	P \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
CUH979 Hunters Point Municipal Power	\$ -	P \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
CUH983 Civic Center Sustainability District	\$ 1,090,000	P \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
CUH986 General Fund Dept - Energy Efficiency Renewable/Generation	\$ 7,365,158	P \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Treasure Island Improvement Project	\$ 3,501,307	P \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Enterprise Fund Dept - Energy Efficiency	\$ 325,722	P \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
CUH975 HH Water R&R - Water Infrastructure	\$ 6,000,000	W \$ 4,083,000	\$ 4,083,000	\$ 4,083,000	\$ -	\$ -	\$ -	\$ -	
Toulumne River Watershed Protection	\$ 2,000,000	W \$ 1,361,000	\$ 1,361,000	\$ 1,361,000	\$ -	\$ -	\$ -	\$ -	
Regional Total	\$ 52,182,187	\$ 7,740,688	\$ 7,740,688	\$ 7,740,688	\$ -	\$ (1)	\$ (1)	\$ -	

Source: * SFPLC Commission Approved Budget, February 2009, Same Format
^ FAMIS - City's Official Financial System of Record

Ties to Budget Hearing Materials
Shown on Attachment N-2, Schedule 6
Revenue Capital - Actual Expenditures

Shown on Attachment N-2, Schedule 6
Continuing Appropriation
Needed for Multi-Year
Revenue Funded Capital

ATTACHMENT M-2

REVENUE FUNDED CAPITAL ANNUAL REPORTING REQUIREMENTS (Section 5.04B)

Part A. Updated Actual Information Through Most Recent Fiscal Year (Due in November)

Each year, the SFPUC will provide a report on the status of the regional revenue funded projects with the following information:

Project-level information (through close-out)

- 1 Scope of project
- 2 Current cost estimate/budget.
- 3 Expected milestone dates (ie, design, environmental, construction period, close-out, etc.)
- 4 Contract status
- 5 Reasons for status changes from prior report.
- 6 Other information relevant to whether project is on time/on budget.
- 7 For most recently completed fiscal year and estimated for current year:
 - 8 Total expenditures (capital and operating); amounts paid from other sources.
 - 9 Amount of encumbered and unencumbered appropriations
 - 10 Application of any unused appropriations

Wholesale Capital Fund

- 11 Beginning balance, deposits, capital expenditures (by project), earnings, ending balance.
- 12 Components of ending balance; wholesale portion of:
 - 13 Appropriated and encumbered
 - 14 Appropriated but unencumbered

Part B. Proposed Appropriations for Upcoming Year (Due in March)

- 15 Project information, to the extent not provided in Part A
- 16 Expected funding needs for regional projects
- 17 Unused or excess appropriations carried over.
- 18 Proposed appropriation for upcoming fiscal year.

Amended Attachment M-3
Wholesale Capital Fund and Balancing Account Adjustment
Reference Amended Section 6.08E

A. Cash Flow in Wholesale Capital Fund		Original 5 Year True-up Method FYEs 2010-2018									Amended Annual True-Up (FYE 2019 and Beyond)				
		FYE 2010	FYE 2011	FYE 2012	FYE 2013	FYE 2014	FYE 2015	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023
1	Beginning Total Balance (1)	-	8,818,323	12,404,275	15,761,658	16,268,065	9,084,304	17,243,583	32,251,212	29,842,765	33,698,785	41,548,944	47,366,205	36,848,850	21,206,239
2	Annual Appropriation (2)	10,476,724	8,636,920	21,737,468	11,285,643	18,668,585	15,432,451	21,138,051	11,184,265	17,847,379	26,424,000	26,420,000	13,210,000	13,210,000	13,210,000
3	Annual Expenditures (3)	(1,778,695)	(5,202,897)	(18,553,119)	(10,916,349)	(5,758,565)	(7,331,312)	(6,245,954)	(13,892,649)	(14,361,409)	(18,089,498)	(16,723,232)	(28,485,215)	(33,563,793)	(22,018,000)
4	Interest Earnings (4)	120,294	151,929	173,034	137,113	180,672	58,140	115,532	299,936	370,050	475,153	664,783	757,859	711,183	409,280
June 30 Balances Before Balancing Account Transfers															
5	Total Balance (5)	8,818,323	12,404,275	15,761,658	16,268,065	29,358,756	17,243,583	32,251,212	29,842,765	33,698,785	42,508,440	51,910,495	32,848,850	17,206,239	12,807,520
6	Amount Encumbered as of June 30 (6)					(1,927,466)					(1,000,000)	(1,000,000)	(1,000,000)	(2,000,000)	(2,000,000)
7	Unencumbered Balance (7)	n/a	n/a	n/a	n/a	27,431,290	n/a	n/a	n/a	n/a	41,508,440	50,910,495	31,848,850	15,206,239	10,807,520
8	Transfer From/(To) Balancing Account (8)	n/a	n/a	n/a	n/a	(20,274,452)	n/a	n/a	n/a	n/a	(959,496)	(4,544,290)	4,000,000	4,000,000	4,000,000
Ending Balances After Balancing Account Transfers															
9	Ending Total Balance (9)	8,818,323	12,404,275	15,761,658	16,268,065	9,084,304	17,243,583	32,251,212	29,842,765	33,698,785	41,548,944	47,366,205	36,848,850	21,206,239	16,807,520
10	Unencumbered Ending Balance (10)	n/a	n/a	n/a	n/a	7,156,838	n/a	n/a	n/a	n/a	40,548,944	46,366,205	35,848,850	19,206,239	14,807,520
B. Calculation of Target Balance															
11	Target WCF Balance (11)					7,156,838					40,548,944	46,366,205	40,559,076	34,346,800	29,062,000
C. Calculation of Remaining Cumulative Appropriation															
12	Cumulative Appropriation Since FYE 2010 (12)	10,476,724	19,113,644	40,851,112	52,136,755	70,805,340	86,237,791	107,375,842	118,560,107	136,407,486	162,831,486	189,251,486	202,461,486	215,671,486	228,881,486
13	Cumulative Expenditures Since FYE 2010 (13)	(1,778,695)	(6,981,592)	(25,534,711)	(36,451,060)	(42,209,626)	(49,540,938)	(55,786,891)	(69,679,540)	(84,040,949)	(102,130,447)	(118,853,679)	(147,338,893)	(180,902,686)	(202,920,686)
14	Total Remaining Cumulative Appropriation (14)					28,595,715	36,696,854	51,588,951	48,880,567	52,366,537	60,701,040	70,397,808	55,122,593	34,768,800	25,960,800
15	Amount Encumbered as of June 30 (15)					(1,927,466)				-	(1,000,000)	(1,000,000)	(1,000,000)	(2,000,000)	(2,000,000)
16	Unencumbered Remaining Cumulative Appropriation (16)		n/a	n/a	n/a	26,668,249	n/a	n/a	n/a	n/a	59,701,040	69,397,808	54,122,593	32,768,800	23,960,800
D. Lesser of Target Balance and Unencumbered Remaining Cumulative Appropriation															
17	Lesser of Target Balance (line 11) and Unencumbered Remaining Appropriation (line 16) (17)										40,548,944	46,366,205	40,559,076	32,768,800	23,960,800
E. Calculation of Excess Fund Balance and Refund to Wholesale Customers Through Balancing Account															
18	Is Unencumbered Balance (line 7) more than line 17? (18)										Yes	Yes	No	No	No
19	Excess WCF Balance (applied as a negative entry on line 8) (19)										959,496	4,544,290	-	-	-
F. Calculation of Deficiency Fund Balance and Charge to Wholesale Customers Through Balancing Account (This Section is Only Applicable in Any Year When Line 18 is No)															
20	Is Unencumbered Balance (line 7) less than line 17? (20)												Yes	Yes	Yes
21	Tentative Amount Before Application of \$4 million cap (21)												8,710,226	17,562,561	13,153,280
22	Is line 21 more than \$4,000,000 maximum? (22)												Yes	Yes	Yes
23	Balancing Account Charge (applied as a positive entry on line 8):												4,000,000	4,000,000	4,000,000

- Notes:
- (1) Beginning Total Balance (encumbered and unencumbered). Equal to the prior year ending total balance after balancing account transfers (line 9).
- (2) Wholesale Share of Revenue Funded Appropriations for Regional capital projects, adjusted for de-appropriations which have been factored into a wholesale revenue requirement, if applicable. FYE 2015 and forward are subject to compliance audit and 7.06 review.
Detail by Regional project in the format used in the 2010 - 2014 true-up to be separately provided.
- (3) Wholesale Share of actual Regional capital expenditures funded from Revenue Funded Capital, determined based on proportionate water use in the year of expenditure. Figures from FYE 15 and forward are subject to 7.06 and compliance audit review.
Detail by Regional project in the format used in the 2010 - 2014 true-up to be separately provided.
The figures in line 3 for FYE 18 and on are for illustrative purposes only.
- (4) Line 1 times the assumptions below for the SFPUC pool rate. FYE 2010 - 2014 figures are actual and tie to the first 5 year review.
- | | | | | | | | | | |
|------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Pool rate assumptions: | 0.640% | 0.670% | 0.930% | 1.240% | 1.410% | 1.600% | 1.600% | 1.930% | 1.930% |
|------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
- (5) Total encumbered and unencumbered balance of the Wholesale Capital Fund before Balancing Account adjustments: Line 1 + line 2 + line 3 + line 4.
- (6) Wholesale Share of the encumbrances for purchase orders or contracts in connection with revenue-funded Regional capital projects; calculated using the proportional annual use of the true-up year. Entered as a negative number.
Not applicable in years with no true-up (FYE 2010-13 and 2015-18). FYE 2014 figure is actual. FYE 2019 and forward are plug numbers included for illustration.
- (7) Unencumbered Balance Before Balancing Account transfers: Line 5 + line 6. FYE 2014 figure is actual. Not applicable (n/a) in years with no true-up (FYE 2010-13 and 2015-18).
- (8) Negative entries represent refunds to the Wholesale Customers through the Balancing Account and are calculated per Section E below, except for 2014 which is actual pursuant to the original 6.08E.
Positive entries represent charges to the Wholesale Customers through the Balancing Account and are calculated per Section F below.
- (9) Total Ending Balance After Balancing Account Transfers = Line 5 + line 8.
- (10) Unencumbered Ending Balance After Balancing Account Transfers = Line 7 + line 8. Must not exceed the amount on line 17, which is the lesser of the Target Balance (line 11) and the Unencumbered Remaining Cumulative Appropriation (line 16).
- (11) Starting in FYE 2019, the Target Balance is calculated by the formula below, where CY represent the Current Year (for which the transfer is being calculated), CY-1 is the prior year, CY-2 is 2 years prior, etc.:
[line 2: CY]*(4/5) + [line 2: CY-1]*(3/5) + [line 2: CY-2]*(2/5) +[line 2: CY-3]*(1/5); rounded to the nearest dollar. The FYE 2014 figure is the actual target balance under the original section 6.08E.
- (12) Cumulative Appropriations Since FYE 2010 = prior year line 12 + current year line 2.
- (13) Cumulative Expenditures Since FYE 2010 = prior year line 13 + current year line 3. Does not include encumbrances.
- (14) Total Remaining Cumulative Appropriation (encumbered and unencumbered) = line 12 + line 13.
- (15) Amount encumbered as of June 30 = line 6. Encumbrances are not cumulative.
- (16) Unencumbered Remaining Cumulative Appropriation = line 14 + line 15.
- (17) Lesser of Target Balance (line 11) and Unencumbered Remaining Cumulative Appropriation (line 16). Used in formulas in line 19 (Section E) and line 21 (Section F), as applicable.
- (18) If Yes, go to line 19 for calculation of the excess unencumbered balance. If No, go to line 20.
- (19) Calculation of Excess Balance: If line 18 = Yes, then line 7 minus line 17. The result appears as a negative amount on line 8.
- (20) If yes, then go to lines 21-23 for calculation of charge to Wholesale Customers.
- (21) Initial step in calculating charge: If line 20 = Yes, then line 17 minus line 7; go to line 22.
- (22) If the result on line 21 is greater than \$4,000,000, then the charge to the Wholesale Customers is capped at \$4,000,000.
- (23) Equal to the lesser of line 21 or \$4,000,000. The result appears as a positive number on line 8.

BALANCING ACCOUNT / RATE SETTING CALCULATION
REFERENCE SECTION 6.03.A.3.a

FY 2007-08 FY 2008-09 FY 2009-10

- Step 1:
- A. Balancing Account as of June 30, 2007
 - B. Interest on Balancing Account at Pooled Investment Rate for Fiscal Year
 - C. Wholesale Revenues for Fiscal Year
 - D. Wholesale Revenue Requirement for Fiscal Year
 - E. Settlement Credits or Other Adjustments
 - F. 1984 Agreement Balancing Account Credits
 - G. Balancing Account as of June 30, 2008

\$12,882,000
 \$554,000
 (\$113,932,000)
 \$119,224,000
 \$2,448,614
 \$0
 \$21,176,614

- Step 2:
- A. Balancing Account as of June 30, 2008
 - B. Interest on Balancing Account at Pooled Investment Rate for Fiscal Year
 - C. Wholesale Revenues for Fiscal Year
 - D. Wholesale Revenue Requirement for Fiscal Year
 - E. Settlement Credits or Other Adjustments
 - F. 1984 Agreement Balancing Account Credits
 - G. Balancing Account as of June 30, 2009

\$21,176,614
 \$529,000
 -\$123,604,000
 \$120,562,000
 \$21,000
 \$0
 \$18,684,614

- Step 3:
- A. Balancing Account as of June 30, 2009
 - B. Interest on Balancing Account at Pooled Investment Rate for Fiscal Year
 - C. Wholesale Revenues for Fiscal Year
 - D. Wholesale Revenue Requirement for Fiscal Year
 - E. Settlement Credits or Other Adjustments
 - F. 1984 Agreement Balancing Account Credits
 - G. Balancing Account as of June 30, 2010
 - H. Net Change in Wholesale Revenue Coverage
 - I. Total Revenue Deficiency or Surplus

\$0
 \$0
 -\$127,485,900
 \$140,994,733
 \$21,000
 \$1,997,220
 \$15,527,053
 \$4,488,233
 \$20,015,286

- J. Projected Water Sales in Ccf
- K. Deficiency or (Surplus) \$(Ccf)
- L. Deficiency or (Surplus) Ccf as a Percentage of Revenues

84,621,240 83,205,600 85,920,000
 \$0.23
 15.7%

Note: Dollar amounts are for illustrative purposes only. The Parties have not agreed on the amount of the balancing account as of June 30, 2007, revenue requirement for FY 2007-08, settlement credits for FY 2007-08, and the amount of the balancing account as of June 30, 2009.

**BALANCING ACCOUNT / RATE SETTING CALCULATION
METHOD OF CALCULATION
REFERENCE SECTION 6.03.A.3.a**

**ATTACHMENT N-1
Page 2**

N = The year for which rates are being set

N-1 = The current year

N-2 = The most recently completed year for which actual results are available

Calculation Method:

Step 1

Determine the actual revenue differential for year N-2

- A. Enter the beginning amount of the Balancing Account
- B. Calculate the interest earned at the Pooled Investment Account Rate for (A)
- C. Enter the actual Wholesale revenues billed
- D. Enter the Wholesale Revenue Requirement
- E. Enter settlement credits or adjustments, if any
- F. Enter carry-over 1984 Agreement credits owed the City, if any
- G. Calculate the ending amount of the Balancing Account

Step 2

Determine the projected revenue differential for year N-1

- A. Enter the beginning amount of the Balancing Account; this is the same amount as G in Step 1
- B. Calculate the interest earned at the Pooled Investment Account Rate for (A)
- C. Enter the actual Wholesale revenues billed
- D. Enter the Wholesale Revenue Requirement
- E. Enter settlement credits or adjustments, if any
- F. Enter carry-over 1984 Agreement credits owed the City, if any
- G. Calculate the ending amount of the Balancing Account

Step 3

Determine the projected revenue differential for year N

- A. Enter the beginning amount of the Balancing Account; this is the same amount as G in Step 2
- B. Calculate the interest earned at the Pooled Investment Account Rate for (A)
- C. Enter the actual Wholesale revenues billed
- D. Enter the Wholesale Revenue Requirement
- E. Enter settlement credits or adjustments, if any
- F. Enter carry-over 1984 Agreement credits owed the City, if any
- G. Calculate the ending amount of the Balancing Account
- H. Enter the net change in the Wholesale Revenue Coverage, if applicable
- I. Calculate the total revenue deficiency or surplus (G) + (H)
- J. Enter the projected water sales to Wholesale Customers in Ccf
- K. Calculate the required increase in the commodity portion of the rate by dividing (I) by (J)
- L. Calculate the required increase in revenues by dividing (I) by (C)

WHOLESALE REVENUE REQUIREMENT SCHEDULES
CALCULATION OF WHOLESALEREVENUE REQUIREMENT
FISCAL YEAR 2009-10
REFERENCE ARTICLE 5

ATTACHMENT N-2
SCHEDULE 1

EXPENSE CATEGORY	CONTRACT REFERENCE	SCHEDULE REFERENCE	TOTAL	DIRECT RETAIL	DIRECT WHOLESALEREVENUE	REGIONAL	JOINT EXPENSE ALLOCATION FACTOR	WHOLESALEREVENUE SHARE
OPERATING AND MAINTENANCE EXPENSE:								
SOURCE OF SUPPLY	5.05 (A)	SCH 8.1	\$ 14,943,953	\$ 1,251,062	\$ -	\$ 13,692,891	ANNUAL USE ¹	\$ 9,364,568
PUMPING	5.05 (B)	SCH 8.1	\$ 4,342,682	\$ 3,854,000	\$ -	\$ 488,682	ANNUAL USE ¹	\$ 334,210
TREATMENT	5.05 (C)	SCH 8.1	\$ 30,445,053	\$ -	\$ -	\$ 30,445,053	ANNUAL USE ¹	\$ 20,821,372
TRANSMISSION & DISTRIBUTION	5.05 (D)	SCH 8.1	\$ 53,416,232	\$ 30,163,286	\$ -	\$ 23,252,946	ANNUAL USE ¹	\$ 15,902,690
CUSTOMER ACCOUNTS ²	5.05 (E)	SCH 8.1	\$ 7,552,213	\$ 7,401,169	\$ 151,044	\$ -	2%	\$ 151,044
TOTAL O&M			\$ 110,700,133	\$ 42,669,517	\$ 151,044	\$ 67,879,572		\$ 46,573,883
COMPOSITE % (WHOLESALEREVENUE SHARE / TOTAL O&M)	5.06 (C)							42.07%
ADMINISTRATIVE AND GENERAL EXPENSES:								
COWCAP	5.06 (A)	SCH 8.1	\$ 1,238,009	\$ -	\$ -	\$ 1,238,009	COMPOSITE O&M	\$ 520,857
SERVICES OF SFPUC BUREAUS	5.06 (B)	SCH 7	\$ 22,465,291	\$ 8,178,424	\$ -	\$ 14,286,867	ANNUAL USE ¹	\$ 9,770,788
OTHER A&G	5.06 (C)	SCH 8.1	\$ 12,973,477	\$ 4,059,891	\$ -	\$ 8,913,586	COMPOSITE O&M	\$ 3,770,749
COMPLIANCE AUDIT	5.06 (D)	SCH 8.1	\$ 200,000	\$ -	\$ -	\$ 200,000	50%	\$ 100,000
TOTAL A&G			\$ 36,875,777	\$ 12,188,315	\$ -	\$ 24,687,462		\$ 14,162,394
PROPERTY TAXES	5.07	SCH 8.1	\$ 1,417,293	\$ -	\$ -	\$ 1,417,293	ANNUAL USE ¹	\$ 969,287
CAPITAL COST RECOVERY								
PRE-2009 ASSETS	5.03	ATT K						\$ 24,051,326
DEBT SERVICE ON NEW ASSETS	5.04 (A)	SCH 2						\$ 17,952,931
REVENUE FUNDED ASSETS - APPROPRIATED TO WHOLESALEREVENUE CAPITAL FUND	5.04 (B)	SCH 3						\$ 8,381,400
TOTAL CAPITAL COST RECOVERY								\$ 50,385,657
WHOLESALEREVENUE SHARE HETCH HETCHY WATER & POWER	5.04	SCH 4						\$ 28,903,512
WHOLESALEREVENUE REQUIREMENT								\$ 140,994,733
WHOLESALEREVENUE COVERAGE ³								\$ 4,488,233

¹Proportional Annual Use (68.39%)

²Water Enterprise Share of Customer Accounts Expenses (62% of Total Customer Accounts Expenses)

³25% of Wholesale Share of Debt Service

ATTACHMENT N-2
SCHEDULE 2

WHOLESALE REVENUE REQUIREMENT SCHEDULES
WATER ENTERPRISE CAPITAL COST RECOVERY - ANNUAL DEBT SERVICE
FISCAL YEAR 2009-10
REFERENCE SECTION 5.04.A

	2006 BOND		2008 BOND		2009 BOND		XXXX BOND		XXXX BOND		XXXX BOND		TOTAL ALL OUTSTANDING BONDS
	ISSUE A	SERIES	ISSUE A	SERIES	ISSUE A	SERIES	ISSUE A	SERIES	ISSUE A	SERIES	ISSUE A	SERIES	
USE OF BOND PROCEEDS													
RETAIL PROJECTS		31.61%		22.95%		19.42%		XX.XX%		XX.XX%		XX.XX%	
REGIONAL PROJECTS		68.39%		77.05%		80.58%		YY.YY%		YY.YY%		YY.YY%	
PRINCIPAL PAYMENT	\$ 8,765,000												\$ 8,765,000
RETAIL PROJECTS	\$ 2,770,617												\$ 2,770,617
REGIONAL PROJECTS	\$ 5,994,384												\$ 5,994,384
INTEREST PAYMENT (GROSS)	\$ 23,353,388		\$ 5,561,386		\$ 56,181,932								\$ 85,096,706
RETAIL PROJECTS	\$ 7,382,006		\$ 1,276,338		\$ 10,910,531								\$ 19,568,875
REGIONAL PROJECTS	\$ 15,971,382		\$ 4,285,048		\$ 45,271,401								\$ 65,527,831
INTEREST PAYMENT (CAPITALIZED)													
RETAIL PROJECTS													
REGIONAL PROJECTS													
INTEREST PAYMENT (NET)	\$ 23,353,388		\$ 5,561,386										
RETAIL PROJECTS	\$ 7,382,006		\$ 1,276,338										
REGIONAL PROJECTS	\$ 15,971,382		\$ 4,285,048										
TOTAL PRINCIPAL AND INTEREST PAYMENT	\$ 32,113,388		\$ 5,561,386										\$ 37,679,774
RETAIL PROJECTS	\$ 10,152,622		\$ 1,276,338										\$ 11,428,961
REGIONAL PROJECTS	\$ 21,960,766		\$ 4,285,048										\$ 26,250,813
PROPORTIONAL ANNUAL USE		68.39%		68.39%		68.39%		ZZ.ZZ%		ZZ.ZZ%		ZZ.ZZ%	
WHOLESALE SHARE	\$ 15,022,387		\$ 2,930,544										\$ 17,952,931
													(TO SCHEDULE 1)

Note: Allocation of bond proceeds shown are for illustrative purposes only. Regional projects will not include bond proceeds used to construct or acquire assets capitalized prior to 7/1/09. Regional projects also will not include in-city groundwater or in-city recycled water projects.

WHOLESALE REVENUE REQUIREMENT SCHEDULES
WATER ENTERPRISE CAPITAL COST RECOVERY - REVENUE FUNDED CAPITAL PROJECTS
FISCAL YEAR 2009-10
REFERENCE SECTION 5.04.B

ATTACHMENT N-2
SCHEDULE 3

PROJECT APPROPRIATION	CLASSIFICATION	ALLOCATION FACTOR	WHOLESALE SHARE	TOTAL APPROPRIATION ALL YEARS	ALL YEARS ACTUAL EXPENDITURES	FY 2009-10 ACTUAL EXPENDITURES	ENCUMBERED, NOT EXPENDED	APPROPRIATED, UNENCUMBERED BALANCE
CUH980 Treasure Island Improvement Project	3,800,000 RETAIL	0.0%	\$	\$	\$	\$	\$	\$
CUW253 Facilities Security	500,000 RETAIL	0.0%	\$	\$	\$	\$	\$	\$
CUW260 Local Water R&R	22,347,520 RETAIL	0.0%	\$	\$	\$	\$	\$	\$
CUW686 Automated Meter Reading System	36,001,000 RETAIL	0.0%	\$	\$	\$	\$	\$	\$
Total Local	62,648,520		\$	\$	\$	\$	\$	\$
CUW202 Replace Prestressed Concrete Cylr Pipe	- REGIONAL	68.7%	\$	\$	\$	\$	\$	\$
CUW261 Regional Water R&R - Storage	- REGIONAL	68.7%	\$	\$	\$	\$	\$	\$
CUW262 Regional Water R&R - Treatment Facilities	1,000,000 REGIONAL	68.7%	\$	687,000	235,000	235,000	\$	452,000
CUW263 Regional Water R&R Conveyance/Transmission	7,000,000 REGIONAL	68.7%	\$	4,809,000	1,395,000	1,395,000	25,000	3,389,000
CUW264 Regional Watersheds/ROW Management	500,000 REGIONAL	68.7%	\$	343,500	115,000	115,000	50,000	178,500
FUW100 Regional Facilities Maintenance	3,700,000 REGIONAL	68.7%	\$	2,541,900	850,000	850,000	123,000	1,568,900
Total Regional	12,200,000		\$	8,381,400	2,595,000	2,595,000	198,000	5,588,400
TOTAL ALL PROJECTS	74,848,520		\$	8,381,400	2,595,000	2,595,000	198,000	5,588,400

(TO SCHEDULE 1)

(TO SCHEDULE 1)

(TO SCHEDULE 1)

WHOLESALE REVENUE REQUIREMENT SCHEDULES
CALCULATION OF WHOLESAL SHARE OF HETCH HETCHY WATER & POWER
FISCAL YEAR 2009-10
REFERENCE ARTICLE 5

ATTACHMENT N-2
SCHEDULE 4

EXPENSE CATEGORY	CONTRACT REFERENCE	SCHEDULE REFERENCE	TOTAL	POWER SPECIFIC	WATER SPECIFIC	JOINT	JOINT ALLOCATION PERCENTAGE	WATER- RELATED TOTAL	WHOLESAL ALLOCATION FACTOR	WHOLESAL SHARE
OPERATION AND MAINTENANCE										
OPERATION	5.08 B 1	SCH 8.2	\$ 44,612,220	\$ 31,853,965	\$ 9,557,861	\$ 3,200,394	45%	\$ 10,988,038	ADJUSTED PROPORTIONAL ANNUAL USE	\$ 7,484,165
MAINTENANCE	5.08 B 1	SCH 8.2	\$ 16,868,612	\$ 5,048,039	\$ 3,238,622	\$ 8,581,951	45%	\$ 7,700,500	ADJUSTED PROPORTIONAL ANNUAL USE	\$ 4,531,990
TOTAL OPERATION AND MAINTENANCE			\$ 61,480,832	\$ 36,902,004	\$ 12,796,483	\$ 11,782,345		\$ 18,098,538		\$ 12,316,055
ADMINISTRATIVE AND GENERAL										
COWCAP	5.08 B 2	SCH 8.2	\$ 1,139,579	\$ -	\$ -	\$ 1,139,579	45%	\$ 512,811	ADJUSTED PROPORTIONAL ANNUAL USE	\$ 348,968
SERVICES OF SFPUC BUREAUS	5.08 B 2	SCH 7	\$ 8,255,307	\$ 5,375,656	\$ 2,879,651	\$ -	45%	\$ 2,879,651	ADJUSTED PROPORTIONAL ANNUAL USE	\$ 1,959,603
OTHER A&G	5.08 B 2	SCH 8.2	\$ 25,581,481	\$ 14,913,071	\$ 36,070	\$ 10,632,340	45%	\$ 4,820,823	ADJUSTED PROPORTIONAL ANNUAL USE	\$ 3,280,434
CUSTOMER ACCOUNTS	5.08 B 2	SCH 8.2	\$ 347,403	\$ 347,403	\$ -	\$ -	45%	\$ -	ADJUSTED PROPORTIONAL ANNUAL USE	\$ -
TOTAL ADMINISTRATIVE AND GENERAL			\$ 35,323,770	\$ 20,686,130	\$ 2,913,721	\$ 11,771,919		\$ 8,213,085		\$ 5,589,004
PROPERTY TAXES	5.08 B 3	SCH 8.2	\$ 452,000	\$ -	\$ -	\$ 456,305	45%	\$ 205,337	ADJUSTED PROPORTIONAL ANNUAL USE	\$ 139,732
CAPITAL COST RECOVERY										
PRE-2009 ASSETS	5.08 B 1	ATT K-4								\$ 3,118,033
DEBT SERVICE ON NEW ASSETS	5.08 B 2	SCH 5								\$ -
REVENUE FUNDED ASSETS-APPROPRIATIONS TO WHOLESAL CAPITAL FUND	5.08 B 3	SCH 6								\$ 7,740,688
TOTAL CAPITAL COST RECOVERY										\$ 10,858,721
WHOLESAL SHARE OF HETCH HETCHY WATER & POWER										\$ 28,903,512 (TO SCHEDULE 1)
WHOLESAL REVENUE COVERAGE ¹										\$ -

¹Adjusted Proportional Annual Use (68.39% X 99.50% = 68.05%)
²25% of Wholesale Share of Debt Service

WHOLESALE REVENUE REQUIREMENT SCHEDULES
HETCH HETCHY CAPITAL COST RECOVERY - ANNUAL DEBT SERVICE
FISCAL YEAR 2009-10
REFERENCE SECTION 5.09.B.1

ATTACHMENT N-2
SCHEDULE 5

	XXXX BOND ISSUE ALL SERIES	XXXX BOND ISSUE ALL SERIES	XXXX BOND ISSUE ALL SERIES	XXXX BOND ISSUE ALL SERIES	XXXX BOND ISSUE ALL SERIES	XXXX BOND ISSUE ALL SERIES	XXXX BOND ISSUE ALL SERIES	XXXX BOND ISSUE ALL SERIES	XXXX BOND ISSUE ALL SERIES	TOTAL ALL OUTSTANDING G BONDS
USE OF BOND PROCEEDS										
POWER PROJECTS	XX.XX%	XX.XX%	XX.XX%	XX.XX%	XX.XX%	XX.XX%	XX.XX%	XX.XX%	XX.XX%	
WATER PROJECTS	YY.YY%	YY.YY%	YY.YY%	YY.YY%	YY.YY%	YY.YY%	YY.YY%	YY.YY%	YY.YY%	
JOINT PROJECTS	ZZ.ZZ%	ZZ.ZZ%	ZZ.ZZ%	ZZ.ZZ%	ZZ.ZZ%	ZZ.ZZ%	ZZ.ZZ%	ZZ.ZZ%	ZZ.ZZ%	
PRINCIPAL PAYMENT										
POWER SHARE	-	-	-	-	-	-	-	-	-	
WATER SHARE	-	-	-	-	-	-	-	-	-	
JOINT SHARE	-	-	-	-	-	-	-	-	-	
INTEREST PAYMENT (NET)										
POWER SHARE	-	-	-	-	-	-	-	-	-	
WATER SHARE	-	-	-	-	-	-	-	-	-	
JOINT SHARE	-	-	-	-	-	-	-	-	-	
TOTAL PRINCIPAL AND INTEREST PAYMENT	-	-	-	-	-	-	-	-	-	
POWER SHARE	-	-	-	-	-	-	-	-	-	
WATER SHARE	-	-	-	-	-	-	-	-	-	
JOINT SHARE	-	-	-	-	-	-	-	-	-	
WATER RELATED PRINCIPAL AND INTEREST PAYMENT ¹	68.05%	68.05%	68.05%	68.05%	68.05%	68.05%	68.05%	68.05%	68.05%	
ADJUSTED PROPORTIONAL ANNUAL USE WHOLESALE SHARE										(TO SCHEDULE 4)

¹Water Related = 100% of Water Share + 45% of Joint Share

PROJECT APPROPRIATION	CLASSIFICATION	WATER RELATED PERCENTAGE	WATER RELATED SHARE	ALLOCATION FACTOR	WHOLESALE SHARE	TOTAL APPROPRIATION ALL YEARS	ALL YEARS ACTUAL EXPENDITURES	FY 2008-10 ACTUAL EXPENDITURES	ENCUMBERED, NOT EXPENDED	APPROPRIATED, UNENCUMBERED BALANCE
CUH931	HH Microwave Replacement	45%	\$ 1,800,000	ADJUSTED PROPORTIONAL ANNUAL USE	\$	1,224,900	\$ 1,224,900	\$ 1,224,900	\$	\$
CUH977	HH Water R&R - Facilities Maintenance	45%	\$ 1,575,000	ADJUSTED PROPORTIONAL ANNUAL USE	\$	1,071,788	\$ 1,071,788	\$ 1,071,788	\$	\$
	Total Joint		\$ 3,375,000		\$	2,296,688	\$ 2,296,688	\$ 2,296,688	\$	\$
CUH947	SEA - Go Solar Incentive Project	0%	\$ -	ADJUSTED PROPORTIONAL ANNUAL USE	\$	-	\$ -	\$ -	\$	\$
CUH971	Alternative Transmission Studies	0%	\$ -	ADJUSTED PROPORTIONAL ANNUAL USE	\$	-	\$ -	\$ -	\$	\$
CUH976	HH Water R&R - Power Infrastructure	0%	\$ -	ADJUSTED PROPORTIONAL ANNUAL USE	\$	-	\$ -	\$ -	\$	\$
CUH979	Hunters Point Municipal Power	0%	\$ -	ADJUSTED PROPORTIONAL ANNUAL USE	\$	-	\$ -	\$ -	\$	\$
CUH983	Civic Center Sustainability District	0%	\$ -	ADJUSTED PROPORTIONAL ANNUAL USE	\$	-	\$ -	\$ -	\$	\$
CUH986	General Fund Dept - Energy Efficiency Renewable/Generation	0%	\$ -	ADJUSTED PROPORTIONAL ANNUAL USE	\$	-	\$ -	\$ -	\$	\$
	Treasure Island Improvement Project	0%	\$ -	ADJUSTED PROPORTIONAL ANNUAL USE	\$	-	\$ -	\$ -	\$	\$
	Enterprise Fund Dept - Energy Efficiency	0%	\$ -	ADJUSTED PROPORTIONAL ANNUAL USE	\$	-	\$ -	\$ -	\$	\$
	Total Power		\$ 36,682,187		\$	-	\$ -	\$ -	\$	\$
CUH975	HH Water R&R - Water Infrastructure	100%	\$ 6,000,000	ADJUSTED PROPORTIONAL ANNUAL USE	\$	4,083,000	\$ 4,083,000	\$ 4,083,000	\$	\$
	Toulumne River Watershed Protection	100%	\$ 2,000,000	ADJUSTED PROPORTIONAL ANNUAL USE	\$	1,361,000	\$ 1,361,000	\$ 1,361,000	\$	\$
	Total Water		\$ 8,000,000		\$	5,444,000	\$ 5,444,000	\$ 5,444,000	\$	\$
	TOTAL ALL WATER RELATED PROJECTS		\$ 96,364,374		\$	7,740,688	\$ 7,740,688	\$ 7,740,688	\$	\$
									(TO SCHEDULE 4)	(TO SCHEDULE 4)

WHOLESALE REVENUE REQUIREMENT SCHEDULES
SERVICES OF SFPUC BUREAUS - ALLOCATION TO ENTERPRISES
FISCAL YEAR 2009-10
REFERENCE SECTION 5.05.B

ATTACHMENT N-2
SCHEDULE 7

		EXPENDITURE \$	ADJUSTMENTS \$	ADJUSTED EXPENDITURE \$	HETCH HETCHY POWER	HETCH HETCHY WATER	WATER RETAIL	WATER REGIONAL	WASTEWATER	TOTAL
ALLOCATION FACTORS (SCHEDULE N-7.1)										
PUC01	General Manager	\$ 7,609,114	\$ -	\$ 7,609,114	11.13%	5.96%	16.94%	29.59%	36.37%	
PUC1101	BizServ-Administration	\$ 4,081,981	\$ -	\$ 4,081,981	\$ 847,180	\$ 453,820	\$ 1,288,884	\$ 2,251,548	\$ 2,767,682	\$ 7,609,114
PUC1102	Finance	\$ 8,817,687	\$ -	\$ 8,817,687	\$ 454,478	\$ 243,456	\$ 691,434	\$ 1,207,864	\$ 1,484,749	\$ 4,081,981
PUC1103	ITS ¹	\$ 18,048,158	\$ (1,835,357)	\$ 16,212,801	\$ 981,739	\$ 525,902	\$ 1,493,600	\$ 2,609,166	\$ 3,207,280	\$ 8,817,687
PUC1106	Human Resources	\$ 7,678,483	\$ -	\$ 7,678,483	\$ 1,805,093	\$ 966,959	\$ 2,745,235	\$ 4,797,391	\$ 5,897,123	\$ 16,212,801
PUC1108	Customer Services	\$ 12,262,428	\$ (12,262,428)	\$ -	\$ 854,903	\$ 457,958	\$ 1,300,634	\$ 2,272,074	\$ 2,792,914	\$ 7,678,483
PUC12	External Affairs	\$ 3,882,455	\$ -	\$ 3,882,455	\$ 432,263	\$ 231,556	\$ 657,637	\$ 1,148,824	\$ 1,412,175	\$ 3,882,455
TOTAL		\$ 34,752,000	\$ (12,731,000)	\$ 48,282,521	\$ 5,375,656 (TO SCHEDULE 4)	\$ 2,879,651 (TO SCHEDULE 4)	\$ 8,178,424 (TO SCHEDULE 1)	\$ 14,286,867 (TO SCHEDULE 1)	\$ 17,561,923	\$ 48,282,521

¹Adjustment for Transfer of SCADA Expenditures to T&D Joint (\$1,730,000)

WHOLESALE REVENUE REQUIREMENT SCHEDULES
SERVICES OF SFPUC BUREAUS - ANNUAL SALARIES
FISCAL YEAR 2009-10
REFERENCE SECTION 5.05.B

ATTACHMENT N-2
SCHEDULE 7.1

DEPARTMENT/DIVISION	ALLOCATION FACTOR	GROUP CODE	SALARIES	PERCENTAGE
HETCH HETCHY				
POWER		1 \$	6,677,939	6.27%
WATER		2 \$	1,775,910	1.67%
JOINT		\$	9,428,450	
WATER SHARE	45%	2 \$	4,242,803	3.98%
POWER SHARE	55%	1 \$	5,185,648	4.87%
WATER				
ADMINISTRATION (WTR01)		\$	1,009,246	
RETAIL SHARE	33.4%	3 \$	336,415	0.32%
REGIONAL SHARE	33.3%	4 \$	336,415	0.32%
HETCH HETCHY WATER SHARE	33.3%	2 \$	336,416	0.32%
CDD (WTR03)		3 \$	17,356,922	16.29%
WATER QUALITY (WTR04)		4 \$	7,282,589	6.83%
WATER SUPPLY & TREATMENT (WTR05)		4 \$	18,184,689	17.05%
NATURAL RESOURCES (WTR06)		4 \$	4,682,073	4.39%
WATER RESOURCE PLANNING		\$	1,419,760	
WATER CONSERVATION		3 \$	355,703	0.33%
RETAIL WATER RESOURCE PLANNING		3 \$	-	
REGIONAL SHARE (NET SALARIES)		4 \$	1,064,057	1.00%
WASTEWATER		5 \$	38,757,578	36.37%
SALARIES BY GROUP CODE				
HETCH HETCHY - POWER		1 \$	11,863,587	11.13% (TO SCHEDULE 7)
HETCH HETCHY - WATER		2 \$	6,355,129	5.96% (TO SCHEDULE 7)
WATER - RETAIL		3 \$	18,049,040	16.94% (TO SCHEDULE 7)
WATER- REGIONAL		4 \$	31,529,823	29.59% (TO SCHEDULE 7)
WASTEWATER		5 \$	38,757,578	36.37% (TO SCHEDULE 7)
TOTAL SALARIES		\$	106,555,156	100.00%

**WHOLESALE REVENUE REQUIREMENT SCHEDULES
CALCULATION OF THE WHOLESALE REVENUE REQUIREMENT
FISCAL YEAR 2009-10
WATER ENTERPRISE SUMMARY OF OPERATING EXPENSES**

**ATTACHMENT N-2
SCHEDULE 8.1**

	Retail	Wholesale	Regional	Total
Operating Expenses				
Transmission & Distributions	\$ 30,163,286	\$ -	\$ 23,252,946	\$ 53,416,232
Adjustments to Transmission & Distribution	\$ -	\$ -	\$ -	\$ -
Adjusted Transmission & Distribution	\$ 30,163,286	\$ -	\$ 23,252,946	\$ 53,416,232
Source of Supply	\$ 1,251,062	\$ -	\$ 13,692,891	\$ 14,943,953
Adjustments to Source of Supply	\$ -	\$ -	\$ -	\$ -
Adjusted Source of Supply	\$ 1,251,062	\$ -	\$ 13,692,891	\$ 14,943,953
Pumping	\$ 3,854,000	\$ -	\$ 488,682	\$ 4,342,682
Adjustments to Pumping	\$ -	\$ -	\$ -	\$ -
Adjusted Pumping	\$ 3,854,000	\$ -	\$ 488,682	\$ 4,342,682
Treatment	\$ -	\$ -	\$ 30,445,053	\$ 30,445,053
Adjustments to Treatment	\$ -	\$ -	\$ -	\$ -
Adjusted Treatment	\$ -	\$ -	\$ 30,445,053	\$ 30,445,053
Customer Accounts	\$ 7,401,169	\$ 151,044	\$ -	\$ 7,552,213
Adjustments to Customer Accounts	\$ -	\$ -	\$ -	\$ -
Adjusted Customer Accounts	\$ 7,401,169	\$ 151,044	\$ -	\$ 7,552,213
Total Adjusted Operating Expense	\$ 42,669,517	\$ 151,044	\$ 67,879,572	\$ 110,700,133
General & Administrative Expense				
COWCAP	\$ -	\$ -	\$ 1,238,009	\$ 1,238,009
Services of SFPUC Bureaus	\$ 8,178,424	\$ -	\$ 14,286,867	\$ 22,465,291
Other General & Administrative	\$ 4,009,891	\$ -	\$ 8,962,586	\$ 12,972,477
Adjustments to General & Administrative	\$ -	\$ -	\$ -	\$ -
Adjusted General & Administrative	\$ 4,009,891	\$ -	\$ 8,962,586	\$ 12,972,477
Compliance Audit	\$ 100,000	\$ 100,000	\$ -	\$ 200,000
Total General & Administrative	\$ 12,288,315	\$ 100,000	\$ 24,487,462	\$ 36,875,777
Property Taxes	\$ -	\$ -	\$ 1,417,293	\$ 1,417,293
Total	\$ 54,957,832	\$ 251,044	\$ 93,784,327	\$ 148,993,203

Source: FAMIS/EIS

Note: All adjustments to be separately identified above

**WHOLESALE REVENUE REQUIREMENT SCHEDULES
CALCULATION OF THE WHOLESALE REVENUE REQUIREMENT
FISCAL YEAR 2009-10
HETCHY HETCHY WATER & POWER SUMMARY OF OPERATING EXPENSES**

**ATTACHMENT N-2
SCHEDULE 8.2**

	Power	Water	Joint	Total
Operating Expenses				
Purchased Power & Wheeling	\$ 28,953,676			\$ 28,953,676
Adjustments to Purchased Power & Wheeling	\$ -			\$ -
Adjusted Purchased Power & Wheeling	\$ 28,953,676			\$ 28,953,676
Operations				
Hydraulic Generation	\$ 2,900,291	\$ -	\$ 3,200,394	\$ 6,100,685
Transmission & Distribution	\$ -	\$ -	\$ -	\$ -
Water Quality Expense	\$ -	\$ 9,557,862	\$ -	\$ 9,557,862
Adjustments to Operations	\$ -	\$ -	\$ -	\$ -
Adjusted Operations	\$ 2,900,291	\$ 9,557,862	\$ 3,200,394	\$ 15,658,547
Maintenance				
Hydraulic Generation	\$ 1,840,096	\$ 3,238,622	\$ 8,581,952	\$ 13,660,670
Transmission & Distribution	\$ 3,359,385	\$ -	\$ -	\$ 3,359,385
Water Quality Expense	\$ -	\$ -	\$ -	\$ -
Adjustments to Maintenance	\$ (151,442)	\$ -	\$ -	\$ (151,442)
Adjusted Maintenance	\$ 5,048,039	\$ 3,238,622	\$ 8,581,952	\$ 16,868,613
Total Adjusted Operating Expense	\$ 36,902,006	\$ 12,796,484	\$ 11,782,346	\$ 61,480,836
General & Administrative Expense				
COWCAP	\$ -	\$ -	\$ 1,139,579	\$ 1,139,579
Services of SFPUC Bureaus	\$ 5,375,656	\$ 2,879,651	\$ -	\$ 8,255,307
Customer Accounts	\$ 347,403	\$ -	\$ -	\$ 347,403
Adjustments to Customer Accounts	\$ -	\$ -	\$ -	\$ -
Adjusted Customer Accounts	\$ 347,403	\$ -	\$ -	\$ 347,403
Other General & Administrative	\$ 14,913,071	\$ 36,070	\$ 10,632,340	\$ 25,581,481
Adjustments to General & Administrative	\$ -	\$ -	\$ -	\$ -
Adjusted General & Administrative	\$ 14,913,071	\$ 36,070	\$ 10,632,340	\$ 25,581,481
Total General & Administrative	\$ 20,636,130	\$ 2,915,721	\$ 11,771,919	\$ 35,323,770
Property Taxes	\$ -	\$ -	\$ 452,000	\$ 452,000
Total	\$ 57,538,136	\$ 15,712,205	\$ 24,006,265	\$ 97,256,606

Source: FAMIS/EIS

Note: All adjustments to be separately identified above

SCHEDULE OF PROJECTED WATER SALES, WHOLESAL REVENUE REQUIREMENTS, AND WHOLESAL RATES
 CONTRACT REFERENCE: ARTICLE 6.03.A.3

ATTACHMENT N-3

	N	N+1	FISCAL YEAR N+2	N+3	N+4
OPERATION AND MAINTENANCE EXPENSES					
SOURCE OF SUPPLY	\$ 9,364,568	\$ -	\$ -	\$ -	\$ -
PUMPING	\$ 334,210	\$ -	\$ -	\$ -	\$ -
TREATMENT	\$ 20,821,372	\$ -	\$ -	\$ -	\$ -
TRANSMISSION & DISTRIBUTION	\$ 15,902,690	\$ -	\$ -	\$ -	\$ -
CUSTOMER ACCOUNTS	\$ 151,044	\$ -	\$ -	\$ -	\$ -
TOTAL OPERATION AND MAINTENANCE EXPENSES	\$ 46,573,884	\$ -	\$ -	\$ -	\$ -
ADMINISTRATIVE AND GENERAL EXPENSES					
COWCAP	\$ 520,857	\$ -	\$ -	\$ -	\$ -
SF PUBLIC UTILITIES COMMISSION	\$ 9,770,788	\$ -	\$ -	\$ -	\$ -
OTHER A&G	\$ 3,770,749	\$ -	\$ -	\$ -	\$ -
COMPLIANCE AUDIT	\$ 100,000	\$ -	\$ -	\$ -	\$ -
TOTAL ADMINISTRATIVE AND GENERAL EXPENSES	\$ 14,162,394	\$ -	\$ -	\$ -	\$ -
PROPERTY TAXES	\$ 969,287	\$ -	\$ -	\$ -	\$ -
CAPITAL COST RECOVERY					
PRE 2009 ASSETS	\$ 24,051,326	\$ -	\$ -	\$ -	\$ -
DEBT SERVICE ON NEW ASSETS	\$ 17,952,931	\$ -	\$ -	\$ -	\$ -
REVENUE FUNDED CAPITAL	\$ 8,381,400	\$ -	\$ -	\$ -	\$ -
TOTAL CAPITAL COST RECOVERY	\$ 50,385,657	\$ -	\$ -	\$ -	\$ -
WHOLESAL SHARE HHW&P	\$ 28,903,512	\$ -	\$ -	\$ -	\$ -
WHOLESAL REVENUE REQUIREMENT	\$ 140,994,734	\$ -	\$ -	\$ -	\$ -
BALANCING ACCOUNT AS OF JUNE 30	\$ -	\$ -	\$ -	\$ -	\$ -
INTEREST ON BALANCING ACCOUNT	\$ -	\$ -	\$ -	\$ -	\$ -
WHOLESAL REVENUES AT EXISTING RATE	\$ (127,485,900)	\$ -	\$ -	\$ -	\$ -
WHOLESAL EXCESS USE CHARGES	\$ -	\$ -	\$ -	\$ -	\$ -
SETTLEMENT CREDITS AND OTHER ADJUSTMENTS	\$ 21,000	\$ -	\$ -	\$ -	\$ -
1984 AGREEMENT BALANCING ACCOUNT CREDITS	\$ 1,997,220	\$ -	\$ -	\$ -	\$ -
WHOLESAL DEBIT SERVICE COVERAGE RESERVE	\$ 4,488,233	\$ -	\$ -	\$ -	\$ -
WHOLESAL DEFICIENCY OR CREDIT	\$ 20,015,287	\$ -	\$ -	\$ -	\$ -
PERCENT WHOLESAL DEFICIENCY OR CREDIT OF REVENUES AND EXCESS USE CHARGES	15.7%				
PROJECTED WATER SALES (CCF)	85,920,000	0	0	0	0
WHOLESAL DEFICIENCY OR CREDIT (\$/CCF)	0.23	0	0	0	0
PROJECTED WHOLESAL RATE (UNIT COST (\$/CCF)	1.66	0	0	0	0
PROJECTED SERVICE CHARGE REVENUES	\$ 4,620,300				
PROJECTED VOLUME CHARGE REVENUES	\$ 142,627,200				
TOTAL WHOLESAL REVENUES	\$ 147,247,500				

ATTACHMENT O
STATEMENT OF WHOLESALE REVENUE REQUIREMENT/ CHANGES IN BALANCING ACCOUNT
YEAR ENDED JUNE 30
(Section 7.02.B)

	FY 2008-09 Allocation to Wholesale Customers	FY 2009-10 Allocation to Wholesale Customers	Difference
Wholesale Revenue Requirement Calculation:			
Operating and maintenance (O&M) expense:			
San Francisco Water Enterprise:			
Source of supply	\$ 9,133,025	\$ 9,364,568	\$ 231,543
Pumping	\$ 325,946	\$ 334,210	\$ 8,264
Purification	\$ 20,437,460	\$ 20,821,372	\$ 383,912
Transmission and distribution	\$ 9,350,279	\$ 15,902,690	\$ 6,552,411
Customer Accounts	\$ 224,255	\$ 151,044	\$ (73,211)
Total SFWE operating and maintenance	\$ 39,470,965	\$ 46,573,884	\$ 7,102,919
Hetch Hetchy Water and Power (HHWP):			
Operating expenses	\$ 10,359,786	\$ 7,484,165	\$ (2,875,621)
Maintenance expenses	\$ 4,526,240	\$ 4,831,890	\$ 305,650
Total HHWP operating and maintenance	\$ 14,886,026	\$ 12,316,055	\$ (2,569,971)
Administrative and general (A&G) expenses:			
COWCAP			
SFWE	\$ 512,438	\$ 520,857	\$ 8,419
HHWP	\$ 162,364	\$ 348,968	\$ 186,604
SF Public Utilities Commission:			
SFWE	\$ 7,461,835	\$ 9,770,788	\$ 2,308,953
HHWP	\$ 2,357,622	\$ 1,959,603	\$ (398,019)
Other A&G – SFWE	\$ 8,234,799	\$ 3,770,749	\$ (4,464,050)
Other A&G – HHWP	\$ -	\$ 3,280,434	\$ 3,280,434
Compliance audit	\$ 95,338	\$ 100,000	\$ 4,662
Total administrative and general expenses	\$ 18,824,396	\$ 19,751,399	\$ 927,003
Property taxes (outside city only):			
SFWE	\$ 964,040	\$ 969,287	\$ 5,247
HHWP	\$ 120,923	\$ 139,732	\$ 18,809
Total property taxes	\$ 1,084,963	\$ 1,109,019	\$ 24,056
Capital Cost Recovery			
Pre-2009 Assets			
SFWE		\$ 24,051,326	
HHWP		\$ 3,118,033	
Debt Service on New Assets			
SFWE		\$ 17,952,931	
HHWP		\$ -	
Revenue Funded Assets			
SFWE		\$ 8,381,400	
HHWP		\$ 7,740,688	
Total Capital Cost Recovery	\$ 46,378,941	\$ 61,244,378	\$ 14,865,437
Total Wholesale Revenue Requirement	\$ 120,645,291	\$ 140,994,735	\$ 20,349,444
Balancing Account July 1			
Interest on adjusted beginning balance	\$ 21,176,614	\$ -	
Wholesale revenues billed	\$ 529,415	\$ -	
Excess use charges billed	\$ (123,604,000)	\$ (147,247,500)	
Wholesale Revenue Coverage Reserve	\$ -	\$ -	
Other adjustments	\$ -	\$ 4,488,233	
Settlement adjustments	\$ -	\$ -	
1984 Agreement Balancing Account Credits	\$ 21,006	\$ 21,006	
	\$ -	\$ 1,997,220	
Balancing Account June 30	\$ 18,768,326	\$ 253,694	

Attachment P
REPRESENTATION LETTER

Certification Pursuant to Water Sales Agreement (the Agreement) between the City and County of San Francisco (San Francisco) and certain wholesale customers in the counties of San Mateo, Santa Clara, and Alameda (the Wholesale Customers) effective July 1, 2009.

Each of the undersigned certifies that:

1. I have reviewed San Francisco Water Department and Hetch Hetchy Water & Power Department Report on the Calculation of the Wholesale Revenue Requirement and Statement of Changes in the Balancing Account (the Statement) for the year ended June 30, 200X;

Based on my knowledge, this report and Statement do not contain any untrue statements of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by the report;

Based on my knowledge, the Statement and other financial information included in the report, fairly presents in all material respects the proper costs incurred and allocated to the Wholesale Customers in accordance with the provisions of the Agreement.

The below certifying officers and I are responsible for establishing and maintaining internal control over financial reporting and have:

Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting for purposes of the preparation of the Statement.

Evaluated the effectiveness of the allocation procedures to ensure compliance with the terms of the Agreement.

The Statement fully complies with the contractual requirements of the Agreement and fairly presents, in all material respects, the allocation of costs to the Wholesale Customers in accordance with the Agreement.

General Manager, SFPUC

Date

Assistant General Manager & Chief Financial Officer, SFPUC

Date

Finance Director, SFPUC

Date

Accounting Manager, SFPUC

Date

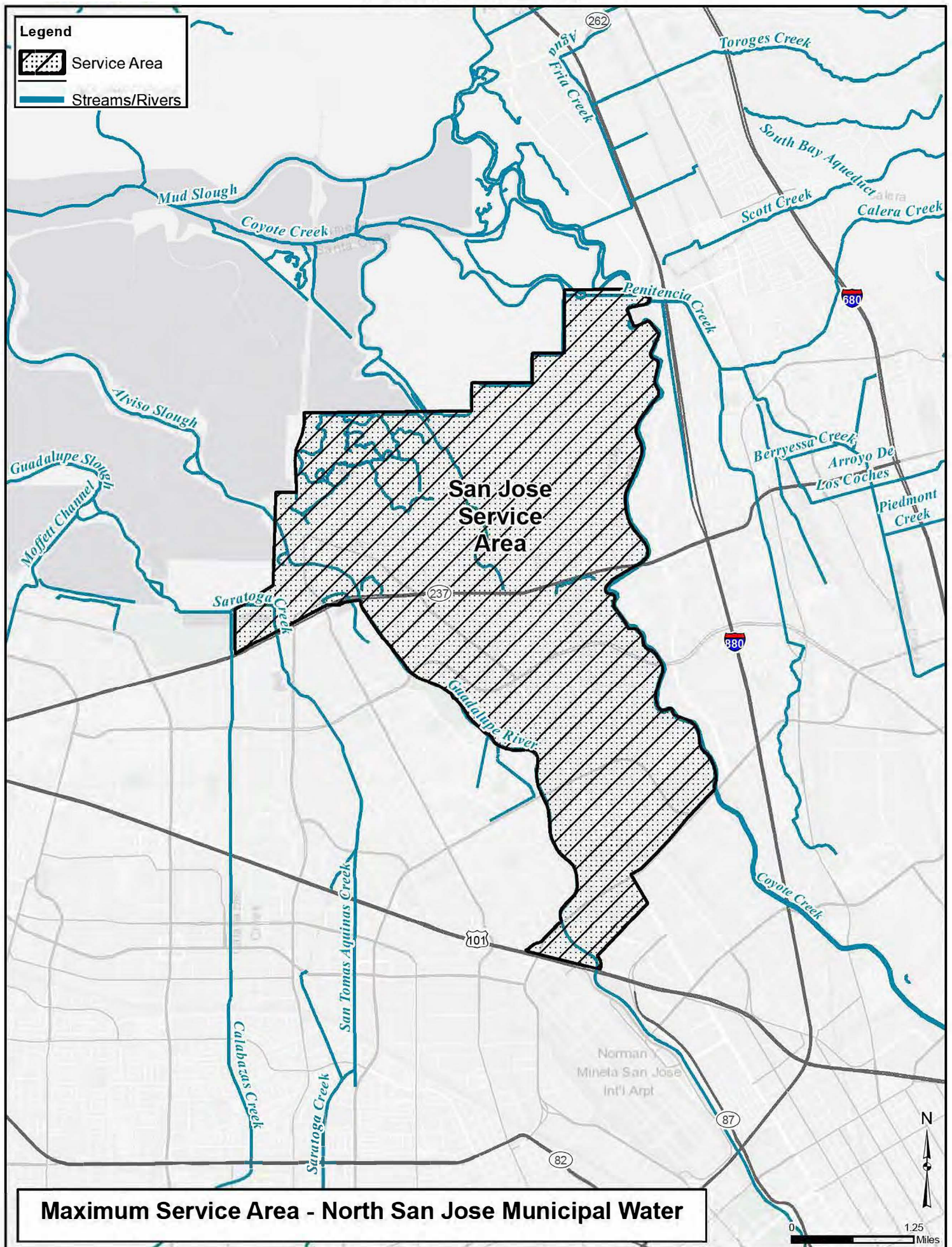
Financial Planning Manager, SFPUC

Date

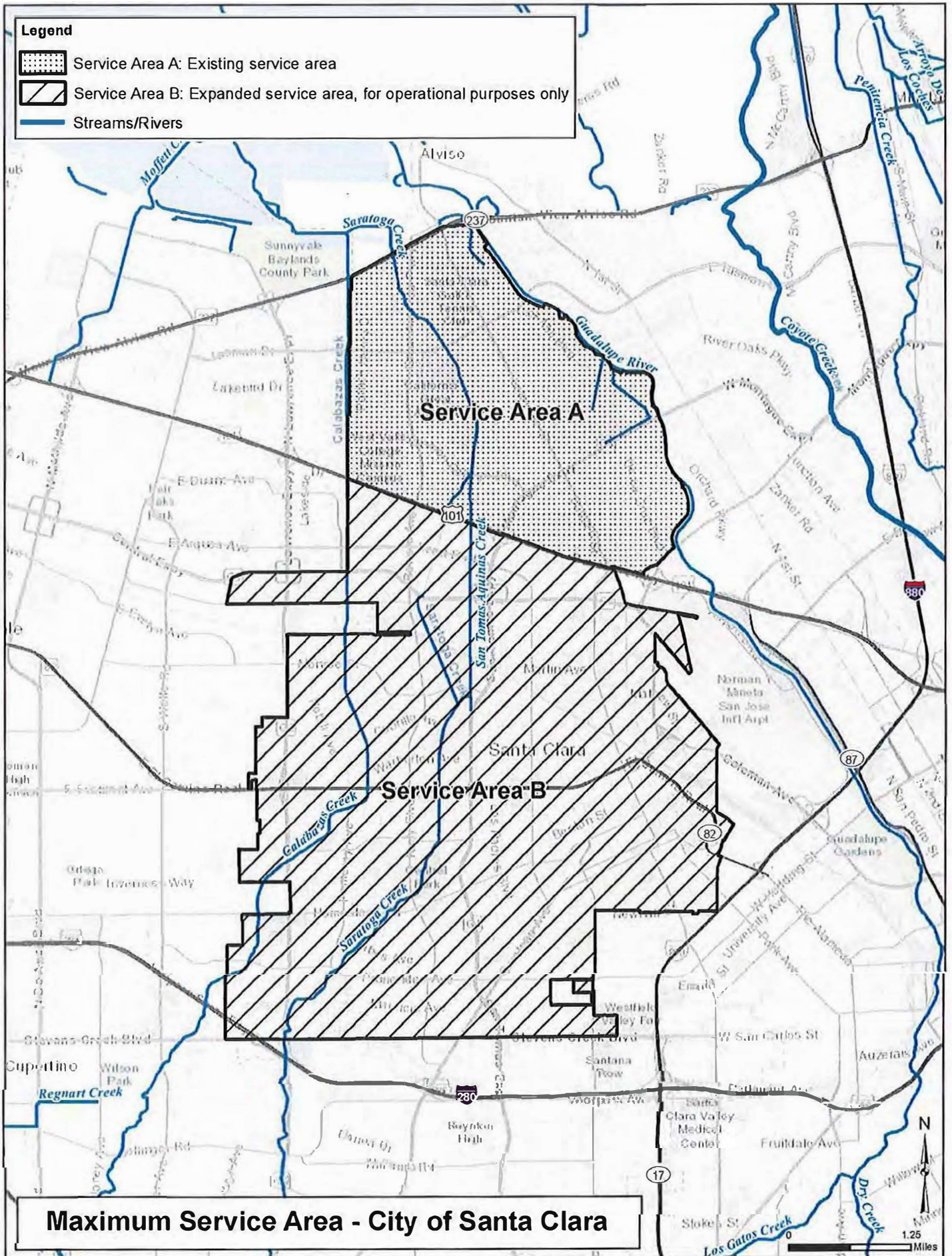
Senior Rates Administrator, SFPUC

Date

Attachment Q-1



Attachment Q-2



ATTACHMENT R – CLASSIFICATION OF EXISTING SYSTEM ASSETS

ATTACHMENT R-1

INTRODUCTION TO ATTACHMENT R

Attachment R is composed of three documents (1) this **R-1 Introduction to Attachment R**, (2) **R-2 Special Classification of Discrete Projects for 2018 WSA Amendment Purposes**, and (3) **R-3 Major Hetch Hetchy Enterprise Existing System Assets**. These R series attachments provide a record for purposes of maintaining the historical basis for the allocation of capital costs and operating expenses associated with Existing System Assets generally, with greater detail provided for major Hetch Hetchy Enterprise Existing System Assets due to the complexity of tracking the Water-Only, Power-Only, and Joint classifications as inputs to the Wholesale Revenue Requirement under Sections 5.08 and 5.09 of the Agreement.

Attachment R-2, Special Classification of Discrete Projects for 2018 WSA Amendment Purposes defines a limited number of capital projects involving five Hetch Hetchy Enterprise Existing System Assets where the parties have agreed to classify defined capital project costs separately from the assets' underlying classification listed on Attachment R-3. The classification listed in Attachment R-3 will continue to control the allocation of capital costs and operating expenses once the defined capital projects described in Attachment R-2 are complete.

Attachment R-3, Major Hetch Hetchy Enterprise Existing System Assets is a record of major assets at the "facility group" level (see below) as of January 1, 2019. The table contains six columns and 578 rows. The facility groups are broken down into individual facilities or assets. The facility group name and classification are provided for each asset. Assets listed on Attachment R-3 are classified as Joint, Water-Only, or Power-Only. Each asset is also assigned a unique identification ("ID") number for ease of reference. Attachment R-3 is not a complete record of all Hetch Hetchy Enterprise Existing System Assets.

General Explanation of Classification.

A "facility group" is a location where a group of facilities is located. A single facility may constitute a facility group. A "facility" is a primary asset in a facility group whose function determines its classification and the classification of appurtenances or sub-assets. An appurtenance is an asset or sub-asset that supports the function of the facility to which it is appurtenant. In most cases the classification of the appurtenance is determined by the classification of the facility to which the appurtenance belongs. The function of the appurtenance may not necessarily control its classification.

The classification of appurtenant assets generally follows the classification of the facility group served. These appurtenant assets include security, offices/housing, and utilities serving the facility group such as domestic water, wastewater, communications and solid waste disposal. Power distribution assets that provide power to a facility group (e.g. lower voltage power distribution lines) generally carry the classification of the facility group served, but do not include power generation or higher voltage transmission lines for export of power elsewhere, which remain classified as Power-Only. With limited exceptions for roads exclusively accessing Power-Only facilities, roads and bridges are classified as Joint because most roads serve multiple facilities or Joint facilities. Equipment and rolling stock are generally classified as Joint unless the asset has a specialized purpose serving the Power function. Capital costs and operating expenses related to Camp Mather are charged to Power in order to segregate these costs from the Wholesale Revenue Requirement.

ATTACHMENT R-2

SPECIAL CLASSIFICATION OF DISCRETE PROJECTS FOR 2018 WSA AMENDMENT PURPOSES

Asset	Asset Classification	Project	Project Classification ¹
Lower Cherry Aqueduct	Joint	Lower Cherry Aqueduct Project	Water ²
Mountain Tunnel	Joint	Mountain Tunnel Interim Work	Water ³
Mountain Tunnel	Joint	Mountain Tunnel Long Term Repairs	Water ³
Mountain Tunnel	Joint	Mountain Tunnel Flow Control Facility (FCF) Project	Joint ⁵
Kirkwood Penstock	Power	Kirkwood Penstock Project	Joint ⁴
Moccasin Powerhouse Penstock	Power	Moccasin Penstock Project	Joint ⁴
Moccasin Lower Dam	Water	Moccasin Dam Interim Repairs	Joint ⁵
Moccasin Lower Dam	Water	Moccasin Dam Long-Term Improvements	Joint ⁵

These Project Classifications are Exceptions to the Fixed Asset Classifications in Attachment R-3

Attachment R-3 lists major Hetch Hetchy Enterprise Existing System Assets and their agreed-upon classifications (Power, Joint or Water). The classification for all Existing System Assets is fixed and applies to all related expenditures, including capital, regulatory, operating and maintenance expenses, and whether the expenditure alters, rebuilds or replaces the asset, and any appurtenances.

¹ Expires June 30, 2034

² Project capital costs may include costs incurred in FY 2013-14 and subsequent Fiscal Years until project is complete

³ Project capital costs may include costs incurred in FY 2011-12 and subsequent Fiscal Years until project is complete

⁴ Project capital costs may include costs incurred in FY 2009-10 and subsequent Fiscal Years until project is complete

⁵ Project capital costs may include costs incurred in FY 2017-18 and subsequent Fiscal Years until project is complete

In 2018, the parties agreed to classify certain capital projects (but not the underlying asset classifications shown on Attachment R-3) for a select number of Hetch Hetchy Enterprise Existing System Assets. These projects are defined below. These project-related classification changes, shown on this Attachment R-2, are part of the 2018 amendments to the Agreement and are not precedential for any other asset-related capital cost or operating expense.

The capital costs for the projects defined below shall be allocated in accordance with the project classifications shown on this Attachment R-2 so long as the projects are approved by the SFPUC following necessary CEQA review. Once the project, as defined below, is complete and the Commission adopts a project administrative closeout resolution authorizing final payment to the contractor(s), the separate project classification expires and all subsequent capital costs and operating expenses related to the asset will follow the existing asset classification shown on Attachment R-3. The project classification exceptions will expire on June 30, 2034 and all future capital and operating costs and expenses will follow the asset classification, even if a project has not been completed by the SFPUC by that date.

Unless specified otherwise, the capital costs for each project specified below includes costs incurred by the SFPUC for the construction of the project using debt or revenue funding, along with all project-related planning costs, engineering costs, engineering services, costs to obtain project-related regulatory permits, fees for environmental consultants, mitigation costs, legal fees, and other costs that are required to construct and place the project in operation as a water conveyance or power generation facility, or to serve both functions. The allocation of project capital costs includes expenditures incurred in fiscal years prior to FY 2018-19 where noted.

Project Classification Descriptions⁶

1. **Lower Cherry Aqueduct Project** means repairs along the Lower Cherry Aqueduct system from and including the Cherry Creek Diversion Dam downstream to and including a connection to the pool behind Early Intake Dam, including expenditures incurred in FY 2013-14 and subsequent fiscal years until the project is complete.
2. **Mountain Tunnel Interim Work** means the investigations, interim repairs to the tunnel as well as improvements to access roads and adits for Adit 5/6 and Adit 8/9 already funded or included in the FY 2017-18 ten-year CIP, including expenditures incurred in FY 2011-12 and subsequent fiscal years until the project is complete.
3. **Mountain Tunnel Long Term Repairs** means repair or replacement of tunnel lining not performed as part of the Mountain Tunnel Interim Work, contact grouting of the entire tunnel lining, completion of hydraulic improvements, installation of steel lining in sections of the tunnel to accommodate increased pressure, extension of the siphon crossing under the South Fork of the Tuolumne River, an enlarged concrete portal and bulkhead at Early Intake, and roadway access improvements to tunnel entry points at the South Fork Tuolumne River crossing, Adit 8-9 and Adit 5-6. Project capital costs include costs incurred in FY 2011-12 and subsequent fiscal years until the project is complete.

⁶ SFPUC and BAWSCA discussed and agreed to omit the following projects from this special project classification: 1) Early Intake Diversion Dam and Reservoir, 2) Moccasin Power Tunnel, and 3) Kirkwood Generator Bypass and Moccasin Generator #1 & 2 Bypasses. All capital costs and operating expenses related to these assets will follow the existing asset classification shown on Attachment R-3.

4. **Mountain Tunnel Flow Control Facility (FCF) Project** means construction of a FCF at the downstream end of Mountain Tunnel to reduce lining damage by eliminating the daily cycling between open channel and pressurized flow conditions inside the tunnel, and to allow access to the tunnel when the elevation of the water surface in Priest Reservoir is higher than the elevation of Priest Portal. The project consists of constructing a bypass tunnel, a FCF access shaft and related appurtenances, installing flow control valves and associated mechanical, electrical, and instrumentation as well as construction of a new Mountain Tunnel adit at Priest Reservoir, and a new access road to the FCF. The bypass will be fully steel lined to accommodate higher operating pressures, and a concrete plug will be constructed at the upstream end where water is diverted into the FCF. Project capital costs include costs incurred in FY 2017-18 and subsequent fiscal years until the project is complete.
5. **Kirkwood Penstock Project** means repair, rehabilitation or replacement of the penstock between the Canyon Portal Valve House and the outside of the northern wall of the Kirkwood Powerhouse. The Joint classification for this project would exclude valves, electronic controls and other appurtenances needed for power operations but not for delivery of water to the Bay Area. Project capital costs include costs incurred in FY 2009-10 and subsequent fiscal years until the project is complete.
6. **Moccasin Dam Interim Repairs** means repairs and improvements related to damage caused by the March 22, 2018 storm with the goal of returning the reservoir to service at a restricted water pool elevation. The interim measures include repairs and improvements to the Moccasin Creek Diversion Dam and Bypass, Moccasin Reservoir, access and automation improvements at Gate No. 3 Tower, the Lower Moccasin Dam Auxiliary Spillway, and the downstream channel of Moccasin Creek. Project capital costs include costs incurred in FY 2017-18 and subsequent fiscal years until the project is complete.
7. **Moccasin Dam Long-Term Improvements** means upgrading the Moccasin Reservoir facilities to meet long-term operational and dam safety needs, including the Lower Moccasin Dam, Moccasin Creek Diversion Dam, spillways, outlet works, and other appurtenant facilities, excluding the Moccasin Low Head Hydropower Plant and appurtenances. The work consists of repairs and upgrades to restore the capability to accommodate changes in flow associated with water delivery and power generation, provide hydraulic control for delivery of water to the Bay Area, permit the discharge of excess water downstream to Don Pedro Reservoir, and satisfy State regulatory requirements and guidelines. The Joint classification for this project would include all work, regardless of whether or not specific elements are required by the State of California. Project capital costs include costs incurred in FY 2017-18 and subsequent fiscal years until project is complete.
8. **Moccasin Penstock Project** means the repair, rehabilitation or replacement of the Moccasin Penstocks to ensure reliable water delivery to the Bay Area and support power generation at Moccasin Powerhouse. Project facilities would extend from the western end of the Moccasin Power Tunnel to the eastern wall of the Moccasin Powerhouse. The Joint classification for this project would exclude valves, electronic controls and other appurtenances needed for power operations but not for delivery of water to the Bay Area. Project capital costs include costs incurred in FY 2009-10 and subsequent fiscal years until the project is complete.

Maximo Record Number	Maximo ID Location	SFPUC Facility Group	Facility	Classification	Maximo Record Number
1	CPSCADA	Canyon Tunnel	CANYON PORTAL SCADA RTU (FUT.)	Joint	1
2	OSHCANTNL	Canyon Tunnel	OSHAUGHNESSY CANYON POWER TUNNEL	Joint	2
3	CV	Cherry and Eleanor Dams/Compounds	CHERRY VALLEY DAMS AND BUILDINGS	Joint	3
4	CVBLDGS	Cherry and Eleanor Dams/Compounds	CHERRY VALLEY BUILDINGS	Joint	4
5	CVFUEL	Cherry and Eleanor Dams/Compounds	CHERRY VALLEY FUELING STATION	Joint	5
6	CVPS	Cherry and Eleanor Dams/Compounds	CHERRY VALLEY PUMP STATION	Power	6
7	ELBAT	Cherry and Eleanor Dams/Compounds	ELEANOR BATTERY BANK	Joint	7
8	ELCOT	Cherry and Eleanor Dams/Compounds	COTTAGE, LAKE ELEANOR	Joint	8
9	ELDORM	Cherry and Eleanor Dams/Compounds	DORM, COOKHOUSE, GARAGE LAKE ELEANOR	Joint	9
10	ELDWSCT	Cherry and Eleanor Dams/Compounds	LAKE ELEANOR WATER TANK	Joint	10
11	ELEANOR	Cherry and Eleanor Dams/Compounds	LAKE ELEANOR EQUIPMENT	Joint	11
12	ELWHSE	Cherry and Eleanor Dams/Compounds	WAREHOUSE, LAKE ELEANOR	Joint	12
13	CVPSPRORLY	Cherry and Eleanor Dams/Compounds	CHERRY VALLEY PUMP STATION PROTECTIVE RELAYS	Power	13
14	CVDM	Cherry and Eleanor Dams/Compounds	CHERRY VALLEY DAM	Joint	14
15	CVDWS	Cherry and Eleanor Dams/Compounds	CHERRY VALLEY DOMESTIC WATER SYSTEM	Joint	15
16	CVVH	Cherry and Eleanor Dams/Compounds	CHERRY VALLEY VALVE HOUSE	Joint	16
17	ELNCHRTNL	Cherry and Eleanor Dams/Compounds	ELEANOR - CHERRY TUNNEL	Joint	17
18	ELNRDM	Cherry and Eleanor Dams/Compounds	ELEANOR DAM	Joint	18
19	ICP	Early Intake Dam and Reservoir	INTAKE CAMP EQUIPMENT AND GROUNDS	Joint	19
20	ICPCT	Early Intake Dam and Reservoir	INTAKE CAMP COTTAGES	Joint	20
21	ICPFUEL	Early Intake Dam and Reservoir	INTAKE CAMP FUELING SYSTEM	Joint	21
22	ICPLINERIGSH	Early Intake Dam and Reservoir	INTAKE CAMP LINEMENS RIGGING SHED BUILDING	NA	22
23	ICPMAIL	This row not included by SFPUC	INTAKE MAIL SHACK	NA	23
24	ICPSAND	Early Intake Dam and Reservoir	INTAKE CAMP SAND STORAGE BUILDING	Joint	24
25	ICPSEW	Early Intake Dam and Reservoir	INTAKE CAMP SEWAGE SYSTEM	Joint	25
26	ICPTV	Early Intake Dam and Reservoir	INTAKE CAMP TV SYSTEM	Joint	26
27	ICPWSTN	Early Intake Dam and Reservoir	INTAKE WEATHER STATION	Joint	27
28	IWSSCADA	Early Intake Dam and Reservoir	INTAKE DOMESTIC WATER SYS RTU	Joint	28
29	ICPEL	Early Intake Dam and Reservoir	INTAKE CAMP ELECTRICAL SYSTEM	Joint	29
30	ICPDWSBFP	Early Intake Dam and Reservoir	INTAKE DOMESTIC WATER BACK FLOW PREVENTERS, ICP	Joint	30
31	ICPPPOOL	Early Intake Dam and Reservoir	INTAKE CAMP SWIMMING POOL	Joint	31
32	ICPWTS	Early Intake Dam and Reservoir	INTAKE CAMP WATER SYSTEM	Joint	32
33	ICPDM	Early Intake Dam and Reservoir	INTAKE CAMP DAM	Joint	33
34	INTRES	Early Intake Dam and Reservoir	INTAKE RESERVOIR	Joint	34
35	GPL	Holm Powerhouse	22.9KV-GRANITE PORTAL LINE	Power	35
36	H1	Holm Powerhouse	HOLM UNIT #1	Power	36
37	H1PRORLY	Holm Powerhouse	HPH UNIT #1 PROTECTIVE RELAYS	Power	37
38	H2	Holm Powerhouse	HOLM UNIT #2	Power	38
39	H2PRORLY	Holm Powerhouse	HPH UNIT #2 PROTECTIVE RELAYS	Power	39
40	HAX	Holm Powerhouse	HPH EXCITERS, GOVERNORS, TAIL RACE AND OTHER	Power	40
41	HL2TTGE	Holm Powerhouse	HPH LINE #2 TRANSFER TRIP GE	Power	41
42	HPH	Holm Powerhouse	HOLM POWERHOUSE	Power	42
43	HPHBATTERY	Holm Powerhouse	HPH BATTERY SYSTEM	Power	43
44	HPHPEN	Holm Powerhouse	HOLM POWERHOUSE PENSTOCK	Power	44
45	HPHPRORLYTMP	Holm Powerhouse	TEMP HOLING SPOT FOR PRO RLYS	Power	45
46	HPHRF#1	Holm Powerhouse	HOLM POWERHOUSE ROOF FAN #1	Power	46
47	HPHRF#2	Holm Powerhouse	HOLM POWERHOUSE ROOF FAN #2	Power	47
48	HPHWW	Holm Powerhouse	HPH TSOV, SLIDE GATES AT TAILRACE, ETC	Power	48
49	HPRORLY	Holm Powerhouse	HPH PROTECTIVE RELAYS	Power	49
50	HSPARES	Holm Powerhouse	ALL HOLM POWERHOUSE SPARES	Power	50
51	HVH	Holm Powerhouse	HOLM VALVE HOUSE	Power	51

Maximo Record Number	Maximo ID Location	SFPUC Facility Group	Facility	Classification	Maximo Record Number
52	CVPWRTNL	Holm Powerhouse	CHERRY POWER TUNNEL	Power	52
53	GPSCADA	Holm Powerhouse	GRANITE PORTAL SCADA RTU (FUT.)	Power	53
54	H1ASCADA	Holm Powerhouse	HPH UNIT 1 ANNUNCIATOR RTU	Power	54
55	H2ASCADA	Holm Powerhouse	HPH UNIT 2 ANNUNCIATOR RTU	Power	55
56	HPHSCADA	Holm Powerhouse	HOLM POWERHOUSE SCADA RTU	Power	56
57	HPHVMS	Holm Powerhouse	HPH VIBRATION MONITORING SYSTEM	Power	57
58	KPH2SCADA	Kirkwood Powerhouse	KPH PENSTOCK MONITORING SYS RTU	Power	58
59	KPH	Kirkwood Powerhouse	KIRKWOOD POWERHOUSE	Power	59
60	KPHB	Kirkwood Powerhouse	KPH BATHROOM	Power	60
61	KPHOFFICE	Kirkwood Powerhouse	KPH OPERATOR OFFICE	Power	61
62	KVH	Kirkwood Powerhouse	KIRKWOOD VALVE HOUSE	Joint	62
63	K1	Kirkwood Powerhouse	KIRKWOOD UNIT #1	Power	63
64	K1PRORLY	Kirkwood Powerhouse	KPH UNIT #1 PROTECTIVE RELAYS	Power	64
65	K2	Kirkwood Powerhouse	KIRKWOOD UNIT #2	Power	65
66	K2PRORLY	Kirkwood Powerhouse	KPH UNIT #2 PROTECTIVE RELAYS	Power	66
67	K3	Kirkwood Powerhouse	KIRKWOOD UNIT #3	Power	67
68	K3PRORLY	Kirkwood Powerhouse	KPH UNIT #3 PROTECTIVE RELAYS	Power	68
69	KAX	Kirkwood Powerhouse	KPH EXCITERS, GOVERNORS, TAIL RACE AND OTHER	Power	69
70	KAXBKR5211	Kirkwood Powerhouse	KPH BREAKER LOCATION 52-11 MATHER / ICP LINE	Power	70
71	KAXBKR5212	Kirkwood Powerhouse	KPH BREAKER LOCATION 52-12 CANYON PORTAL LINE	Power	71
72	KAXBKR5221	Kirkwood Powerhouse	KPH BREAKER LOCATION 52-21 MATHER / ICP LINE	Power	72
73	KAXBKR5222	Kirkwood Powerhouse	KPH BREAKER LOCATION 52-22 MATHER 22KV LINE	Power	73
74	KAXBKR52S1	Kirkwood Powerhouse	KPH1 BREAKER LOCATION 52-S1 STATION SERVICE	Power	74
75	KAXBKR52S2	Kirkwood Powerhouse	KPH2 BREAKER LOCATION 52-S2 STATION SERVICE	Power	75
76	KAXBKR52S3	Kirkwood Powerhouse	KPH3 BREAKER LOCATION 52-S3 STATION SERVICE	Power	76
77	KAXBKRBT	Kirkwood Powerhouse	KPH BREAKER LOCATION 52-BUS TIE	Power	77
78	KAXBKRBT23	Kirkwood Powerhouse	KPH BREAKER LOCATION 23-BUS TIE	Power	78
79	KAXBKRBT32	Kirkwood Powerhouse	KPH BREAKER LOCATION 32-BUS TIE	Power	79
80	KAXBKRSS1	Kirkwood Powerhouse	KPH1 BREAKER LOCATION 52-SS1 STATION SERVICE	Power	80
81	KAXBKRSS2	Kirkwood Powerhouse	KPH2 BREAKER LOCATION 52-SS2 STATION SERVICE	Power	81
82	KAXBKRSS3	Kirkwood Powerhouse	KPH3 BREAKER LOCATION 52-SS3 STATION SERVICE	Power	82
83	KAXBREAKERS	Kirkwood Powerhouse	KIRKWOOD POWERHOUSE BREAKERS	Power	83
84	KPHBATTERY	Kirkwood Powerhouse	KPH BATTERY SYSTEM	Power	84
85	KPHDCV	Kirkwood Powerhouse	KPH DELUGE CONTROL VALVE	Power	85
86	KPHGENBRK	Kirkwood Powerhouse	KPH SPARE GENERATOR BREAKER	Power	86
87	KPHOILFLT	Kirkwood Powerhouse	KPH PORTABLE XFMR OIL FILTER	Power	87
88	KPHPEN	Kirkwood Powerhouse	KIRKWOOD POWERHOUSE PENSTOCK	Power	88
89	KPHRF	Kirkwood Powerhouse	KPH RECIRCULATING FAN	Power	89
90	KPRORLY	Kirkwood Powerhouse	KPH PROTECTIVE RELAYS	Power	90
91	KSPARES	Kirkwood Powerhouse	ALL KIRKWOOD POWERHOUSE SPARES	Power	91
92	KPHAXWPV	Kirkwood Powerhouse	KPH AUX WHEEL PIT VENT	Power	92
93	KPHBYP SYS	Kirkwood Powerhouse	KPH GENERATOR BYPASS	Power	93
94	KPHWW	Kirkwood Powerhouse	KPH TSOV, SLIDE GATES AT TAILRACE, ETC	Power	94
95	K1ASCADA	Kirkwood Powerhouse	KPH UNIT 1 ANNUNCIATOR RTU	Power	95
96	K2ASCADA	Kirkwood Powerhouse	KPH UNIT 2 ANNUNCIATOR RTU	Power	96
97	KPH1SCADA	Kirkwood Powerhouse	KPH SCADA RTU	Power	97
98	VIBMONSYS	Kirkwood Powerhouse	ALL VIBRATION MONITORING SYSTEMS & EQUIPMENT	Power	98
99	KPHVMS	Kirkwood Powerhouse	KPH VIBRATION MONITORING SYSTEM	Power	99
100	KPHTRBMTR	Kirkwood Powerhouse	KPH TURBIDIMETER	Water	100
102	RAKERLANDS	Support Systems, Utilities and Other	RAKER ACT LANDS & US LAND APPLICATIONS	Joint	102
103	SJLANDS	Support Systems, Utilities and Other	SAN JOAQUIN COUNTY LANDS	Joint	103

Maximo Record Number	Maximo ID Location	SFPUC Facility Group	Facility	Classification	Maximo Record Number
104	STANISLANDS	Support Systems, Utilities and Other	STANISLAUS COUNTY LANDS	Joint	104
105	TUOLUMNELAN	Support Systems, Utilities and Other	TUOLUMNE & MARIPOSA COUNTY LANDS	Joint	105
106	CC	Lower Cherry Creek Aqueduct	CHERRY CREEK EQUIPMENT AND BUILDING	Joint	106
107	CCAQ	Lower Cherry Creek Aqueduct	CHERRY CREEK AQUEDUCT	Joint	107
108	CCDDM	Lower Cherry Creek Aqueduct	CHERRY CREEK DIVERSION DAM	Joint	108
109	CHDIVTUN	Lower Cherry Creek Aqueduct	CHERRY DIVERSION TUNNEL	Joint	109
110	CVDIVCANAL	Lower Cherry Creek Aqueduct	CHERRY TO INTAKE DIVERSION CANAL	Joint	110
118	MLSSCADA	Moccasin Administrative Compound	MOCCASIN LIFT STATION RTU	Joint	118
119	MPHWS	Moccasin Administrative Compound	MOCCASIN WEATHER STATION	Joint	119
120	MWSSCADA	Moccasin Administrative Compound	MOCCASIN DOMESTIC WATER SYS RTU	Joint	120
121	EQP-HH	Moccasin Administrative Compound	NON-AUTOMOTIVE EQUIPMENT	Joint	121
122	ETESTEQUIP	Moccasin Administrative Compound	ELECTRONIC TEST EQUIPMENT	Joint	122
126	MCPARC	Moccasin Administrative Compound	MOCCASIN ARCHIVES / RECORDS OFFICE	Joint	126
127	MCPBH	Moccasin Administrative Compound	MOCCASIN BUNKHOUSE	Joint	127
128	MCPBLPRK	Moccasin Administrative Compound	MOCCASIN CAMP BALL PARK	Joint	128
129	MCPCARP	Moccasin Administrative Compound	MOCCASIN CARPENTER SHOP BUILDING	Joint	129
130	MCPCARPORT	Moccasin Administrative Compound	SHOP AREA CAR PORTS	Joint	130
131	MCPCH	Moccasin Administrative Compound	MOCCASIN CLUBHOUSE/ADMIN. BLDG.	Joint	131
132	MCPCH	Moccasin Administrative Compound	MOCCASIN CONSTRUCTION MANAGEMENT OFFICES, MOCCASIN	Joint	132
133	MCPCH	Moccasin Administrative Compound	COTTAGE 10	Joint	133
134	MCPCH	Moccasin Administrative Compound	CMB SURVEY ADMINISTRATIVE OFFICE	Joint	134
135	MCPCH	Moccasin Administrative Compound	ITS ADMINISTRATIVE OFFICE	Joint	135
136	MCPCH	Moccasin Administrative Compound	GUEST COTTAGE 15	Joint	136
137	MCPCH	Moccasin Administrative Compound	MOCCASIN FINANCE OFFICE	Joint	137
138	MCPCH	Moccasin Administrative Compound	TRAINING OFFICE	Joint	138
139	MCPCH	Moccasin Administrative Compound	EXERCISE BUILDING	Joint	139
140	MCPCH	Moccasin Administrative Compound	WATERSHED ADMINISTRATIVE OFFICE	Joint	140
141	MCPCH	Moccasin Administrative Compound	GUEST COTTAGE 41	Joint	141
142	MCPCH	Moccasin Administrative Compound	MCP CARDBOARD COMPACTOR	Joint	142
143	MCPCH	Moccasin Administrative Compound	MOCCASIN CAMP COTTAGES	Joint	143
144	MCPCH	Moccasin Administrative Compound	MOCCASIN CAMP ELECTRIC SHOP	Joint	144
145	MCPCH	Moccasin Administrative Compound	MOCCASIN ENGINEERING OFFICE	Joint	145
146	MCPCH	Moccasin Administrative Compound	MOCCASIN FIRE TRUCK GARAGE	Joint	146
147	MCPCH	Moccasin Administrative Compound	MOCCASIN FIELD OFFICE BUILDING	Joint	147
148	MCPCH	Moccasin Administrative Compound	MOCCASIN CAMP FUELING STATION	Joint	148
149	MCPCH	Moccasin Administrative Compound	MOCCASIN GARDENERS SHOP	Joint	149
150	MCPCH	Moccasin Administrative Compound	MOCCASIN GREENHOUSE	Joint	150
151	MCPCH	Moccasin Administrative Compound	MOCCASIN POWER LINE SHOP BUILDING	Power	151
152	MCPCH	Moccasin Administrative Compound	MOCCASIN MACHINE AND AUTO SHOP BLDG	Joint	152
153	MCPCH	Moccasin Administrative Compound	MOCCASIN EMERGENCY RESPONSE CENTER	Joint	153
154	MCPCH	Moccasin Administrative Compound	MOCCASIN MAINTENANCE FACILITY	Joint	154
156	MCPCH	Moccasin Administrative Compound	MOCC CAMP OLD MOCCASIN POWERHOUSE: Long term storage	Joint	156
157	MCPCH	Moccasin Administrative Compound	MOCCASIN CAMP PAINT SHOP	Joint	157
158	MCPCH	Moccasin Administrative Compound	PLANNING AND SCHEDULING BUILDING	Joint	158
159	MCPCH	Moccasin Administrative Compound	MOCCASIN PLUMBERS SHOP	Joint	159
160	MCPCH	Moccasin Administrative Compound	MOCCASIN CAMP SWIMMING POOL	Joint	160
161	MCPCH	Moccasin Administrative Compound	MOCCASIN RECREATIONAL FACILITY	Joint	161
162	MCPCH	Moccasin Administrative Compound	MOCCASIN SAWMILL FACILITY	Joint	162
163	MCPCH	Moccasin Administrative Compound	MOCCASIN SCADA TRAILER, MOCCASIN	Joint	163
164	MCPCH	Moccasin Administrative Compound	MOCCASIN SCHOOL BUILDING	Joint	164
165	MCPCH	Moccasin Administrative Compound	MOCCASIN CAMP SEWAGE LIFT STATION 1	Joint	165

Maximo Record Number	Maximo ID Location	SFPUC Facility Group	Facility	Classification	Maximo Record Number
166	MCPSEWSYS	Moccasin Administrative Compound	MOCCASIN CAMP SEWAGE SYSTEM	Joint	166
167	MCPTECH	Moccasin Administrative Compound	MOCCASIN CAMP TECH SHOP	Joint	167
168	MCPTGSTMPFAC	Moccasin Administrative Compound	MOCCASIN TEMPORARY GUEST ACCOMMODATIONS	Joint	168
169	MCPTOOLRM	Moccasin Administrative Compound	MOCCASIN TOOL ROOM BUILDING	Joint	169
170	MCPUEB	Moccasin Administrative Compound	MOCCASIN Bldg 57	Joint	170
171	MCPWHSE	Moccasin Administrative Compound	MOCCASIN WAREHOUSE & SHOPS BLDG	Joint	171
173	MCPSL	Moccasin Administrative Compound	MOCCASIN CAMP STREET LIGHTS	Joint	173
174	MCPDWS	Moccasin Administrative Compound	MOCCASIN DOMESTIC WATER SYSTEM	Joint	174
175	MCPDWSBFP	Moccasin Administrative Compound	MOCCASIN DOMESTIC WATER SYSTEM BACK FLOW PREVENTER	Joint	175
176	ELECTDVCS	Moccasin Administrative Compound	SMALL ELECTRONIC DEVICES AND EQUIPMENT, MOCCASIN	Joint	176
177	MCPWQ2	Moccasin Administrative Compound	MCP WATER QUALITY BUILDING 2	Water	177
178	MCPWQLABS	Moccasin Administrative Compound	MCP WATER QUALITY LABS	Water	178
179	MPFLOSCADA	Moccasin Powerhouse	MPH PENSTOCK FLOW MTRING SCADA RTU	Power	179
180	MPH	Moccasin Powerhouse	MOCCASIN POWERHOUSE	Power	180
181	MPHAUXCMP	Moccasin Powerhouse	MPH AUX. AIR COMPRESSOR	Power	181
182	MPHCR	Moccasin Powerhouse	MPH MAIN CONTROL ROOM	Joint	182
183	MPHHWT	Moccasin Powerhouse	MOCCASIN POWERHOUSE HOT WATER TANK	Joint	183
184	MPHOILROOM	Moccasin Powerhouse	MPH OIL TREATMENT ROOM	Power	184
185	MPHSTOR	Moccasin Powerhouse	MOCCASIN PH STORAGE BUILDING	Power	185
186	M1	Moccasin Powerhouse	MOCCASIN UNIT #1	Power	186
187	M1PRORLY	Moccasin Powerhouse	MPH UNIT #1 PROTECTIVE RELAYS	Power	187
188	M2	Moccasin Powerhouse	MOCCASIN UNIT #2	Power	188
189	M2PRORLY	Moccasin Powerhouse	MPH UNIT #2 PROTECTIVE RELAYS	Power	189
190	MAX	Moccasin Powerhouse	MPH EXCITERS, GOVERNORS, TAIL RACE AND OTHER	Power	190
191	MAX52BT	Moccasin Powerhouse	52-BT BUS TIE CIRCUIT BREAKER LOCATION	Power	191
192	MAXBRK	Moccasin Powerhouse	MOCCASIN POWERHOUSE CIRCUIT BREAKERS	Power	192
193	MAXBRKSS1	Moccasin Powerhouse	52-SS1 STATION SERVICE CIRCUIT BREAKER LOCATION	Power	193
194	MAXBRKSS2	Moccasin Powerhouse	VILLAGE XFMR 52-SS2 STATION SERVICE LOCATION	Power	194
195	MBRK52S1	Moccasin Powerhouse	52-S1 CIRCUIT BREAKER LOCATION	Power	195
196	MBRK52S2	Moccasin Powerhouse	52-S2 CIRCUIT BREAKER LOCATION	Power	196
197	MPHBATTERY	Moccasin Powerhouse	MPH BATTERY SYSTEM	Power	197
198	MPHDELVAL	Moccasin Powerhouse	MPH DELUGE VALVE SYSTEM	Power	198
199	MPHMCB	Moccasin Powerhouse	MPH MAIN CONTROL BOARD	Power	199
200	MPHPEN	Moccasin Powerhouse	MOCCASIN POWERHOUSE PENSTOCK	Power	200
201	MPRORLY	Moccasin Powerhouse	MPH PROTECTIVE RELAYS	Power	201
202	MSPARES	Moccasin Powerhouse	ALL MPH SPARE EQUIPMENT	Power	202
203	MSY	Moccasin Powerhouse	MOCCASIN SWITCHYARD	Power	203
204	MSYLIGHTS	Moccasin Powerhouse	MSY MERCURY VAPOR LIGHTS	Power	204
205	PWRSCHEDE	Moccasin Powerhouse	MPH POWER SCHEDULING COMPUTERS	Power	205
206	MOCCPWTUS	Moccasin Powerhouse	MOCCASIN POWER TUNNEL SURGE SHAFT	Power	206
207	MPHBYPSYS1	Moccasin Powerhouse	MPH GENERATOR BYPASS #1	Power	207
208	MPHBYPSYS2	Moccasin Powerhouse	MPH GENERATOR BYPASS #2	Power	208
209	MPHWW	Moccasin Powerhouse	MPH TSOV, SLIDE GATES AT TAILRACE, ETC	Power	209
210	BNVMSCPU	Moccasin Powerhouse	BENTLY-NEVADA VIBRATION MONITORING SYS CENTRAL PRO	Power	210
211	MPHSCADA	Moccasin Powerhouse	MOCCASIN POWERHOUSE SCADA RTU	Power	211
212	PMBSCADA	Moccasin Powerhouse	PG&E MAIL BOX SCADA RTU	Power	212
213	MLHSCADA	Moccasin Administrative Compound	MOCCASIN LOW-HEAD PWR STA SCADA RTU	Power	213
214	MLHVMS	Moccasin Administrative Compound	MOCC. LOWHEAD VIBRATION MONITORING SYSTEM	Power	214
215	MPHVMS	Moccasin Administrative Compound	MPH VIBRATION MONITORING SYSTEM	Power	215
216	MLH	Moccasin Administrative Compound	MOCCASIN LOW HEAD POWER PLANT	Power	216
217	MLHPEN	Moccasin Administrative Compound	MOCCASIN LOWHEAD PENSTOCK	Power	217

Maximo Record Number	Maximo ID Location	SFPUC Facility Group	Facility	Classification	Maximo Record Number
218	M3	Moccasin Administrative Compound	MOCCASIN LOWHEAD UNIT	Power	218
219	MLHBATTERY	Moccasin Administrative Compound	MOCCASIN LOW-HEAD BATTERY SYS	Power	219
220	MLHMCB	Moccasin Administrative Compound	MOCC LOWHEAD MAIN CONTROL BOARD	Power	220
221	MLHPRORLY	Moccasin Administrative Compound	MLH PROTECTIVE RELAYS	Power	221
222	MLHTS	Moccasin Administrative Compound	MOCCASIN LOW HEAD TELEPHONE SYSTEM	Power	222
223	MPHRESBYP	Moccasin Administrative Compound	MOCCASIN RESERVOIR BYPASS	Water	223
224	MLHPRGCTRL	Moccasin Administrative Compound	MLH PROGRAMABLE CONTROLLER	Power	224
225	MCPFHDWM	Moccasin Administrative Compound	DOMESTIC WATER METERS / HATCHERY	Joint	225
226	MCPBR	Moccasin Administrative Compound	MCP TIMBER BRIDGE / TRASH RACK	Water	226
227	MCPCANAL	Moccasin Administrative Compound	MOCCASIN CANAL	Water	227
228	MCPRES	Moccasin Administrative Compound	MOCCASIN CAMP RESERVOIR	Water	228
229	MOCCLDM	Moccasin Administrative Compound	MOCCASIN LOWER DAM, MOCCASIN	Water	229
230	MOCCUDM	Moccasin Administrative Compound	MOCCASIN CREEK UPPER DIVERSION DAM , MOCCASIN	Water	230
231	MG3SCADA	Moccasin Administrative Compound	MOCCASIN GATE NO. 3 RTU	NA	231
232	FTHTNLJACPU	Moccasin Administrative Compound	MOCCASIN RESERVOIR TURBIDITY SUPPLY JACK PUMP SITE	Water	232
233	KBP	Mountain Tunnel	KIRKWOOD/INTAKE BYPASS SYSTEM	Joint	233
234	MTNTNLDIV	Mountain Tunnel	MOUNTAIN TUNNEL AND ADITS	Joint	234
235	SF	Mountain Tunnel	SOUTH FORK EQUIPMENT & BUILDINGS	Joint	235
236	SFFUEL	Mountain Tunnel	SOUTH FORK FUELING STATION	Joint	236
237	SFOFF	Mountain Tunnel	SOUTH FORK OFFICE BUILDING	Joint	237
238	MT1-2AD	Mountain Tunnel	MTN TNL DIV 1-2 TUNNEL ACCESS	Joint	238
239	MT3-4AD	Mountain Tunnel	MTN TNL DIV 3-4 TUNNEL ACCESS	Joint	239
240	MT5-6AD	Mountain Tunnel	MTN TNL DIV 5-6 TUNNEL ACCESS	Joint	240
241	MT8-9AD	Mountain Tunnel	MTN TNL DIV 8-9 TUNNEL ACCESS	Joint	241
242	MTBIGCRSH	Mountain Tunnel	MTN TNL DIV BIG CREEK SHAFT,	Joint	242
243	MTDSFC	Mountain Tunnel	SOUTH FORK CROSSING	Joint	243
244	MTEIAD	Mountain Tunnel	MTN TNL DIV ACCESS AT EARLY INTAKE	Joint	244
TBD		Mountain Tunnel	Flow Control Facility	Joint	TBD
245	MTPROUT	Mountain Tunnel	Mountain Tunnel Priest Outlet	Joint	245
246	MTSECGROT	Mountain Tunnel	MTN TNL DIV SECOND GARROTE SHAFT,	Joint	246
247	SFDWS	Mountain Tunnel	SOUTH FORK DOMESTIC WATER SYSTEM	Joint	247
248	OSHSCADA	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY DAM RTU	Joint	248
249	OSHS	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY STREAM GAUGE	Joint	249
250	OSHWSTN	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY WEATHER STATION	Joint	250
251	OSH	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY DAM AND AREA BLDGS.	Joint	251
252	OSHCT	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY COTTAGES	Joint	252
253	OSHEL	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY CAMP ELECTRICAL	Joint	253
254	OSHEQP	O'Shaughnessy Dam and Reservoir/Compou	ALL OSHAUGHNESSY EQUIPMENT	Joint	254
255	OSHDIVTNL	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY DIVERSION TUNNEL	Joint	255
256	OSHDM	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY DAM	Joint	256
257	OSHDMWELLAU	O'Shaughnessy Dam and Reservoir/Compou	OSH DOMESTIC WELL AUXILIARY BUILDING	Joint	257
258	OSHDWS	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY DAM DOMESTIC WTR SYS	Joint	258
259	OSHDWSBFP	O'Shaughnessy Dam and Reservoir/Compou	OSH DOMESTIC WATER BACK FLOW PREVENTERS, OSH	Joint	259
260	OSHDWW	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY DOMESTIC WATER WELL SYSTEM, OSH	Joint	260
261	OSHFUEL	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY FUELING STATION	Joint	261
262	OSHG1	O'Shaughnessy Dam and Reservoir/Compou	OSH DAM GALLERY #1	Joint	262
263	OSHG2	O'Shaughnessy Dam and Reservoir/Compou	OSH DAM GALLERY #2	Joint	263
264	OSHGARS	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY GARAGE #5	Joint	264
265	OSHGARS7	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY GARAGE #7	Joint	265
266	OSHRCKSCRN	O'Shaughnessy Dam and Reservoir/Compou	ROCK SCREENING PLANT	NA	266
267	OSHSEWSYS	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY SEWAGE SYSTEM	Joint	267

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268	OSHSTORE3	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY STORE HOUSE 3	Joint	268
269	OSHSTORE6A	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY STORE HOUSE 6-A	Joint	269
270	OSHWDSHD3A	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY WOODSHED 3-A	Joint	270
271	OSHWH12	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY WAREHOUSE #12	Joint	271
272	OSHWLHSE	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY WELL HOUSE	Joint	272
273	OSHWTRSHED	O'Shaughnessy Dam and Reservoir/Compou	HETCH HETCHY RESERVOIR WATERSHED water quality activities	NA	273
274	OWQSCADA	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY WATER QUALITY RTU	Water	274
275	OLDOAKYD	Facilities West of Moccasin Gate Tower	120/240V-OLD OAKDALE YARD LINE	Joint	275
276	OAKCT	Facilities West of Moccasin Gate Tower	OAKDALE EMPLOYEE COTTAGE	Joint	276
277	OAKDALE	Facilities West of Moccasin Gate Tower	OLD OAKDALE YARD	Joint	277
278	OAKGAR	Facilities West of Moccasin Gate Tower	OAKDALE GARAGE	Joint	278
279	OAKLINE	Facilities West of Moccasin Gate Tower	OAKDALE LINE SHOP BUILDING	Joint	279
280	OAKOFFICE	Facilities West of Moccasin Gate Tower	OAKDALE OFFICE BUILDING	Joint	280
281	OAKWHSE	Facilities West of Moccasin Gate Tower	OAKDALE WAREHOUSE BUILDING	Joint	281
282	CPL	Support Systems, Utilities and Other	2.4KV-CANYON PORTAL LINE	Joint	282
283	CRL	Support Systems, Utilities and Other	22.9KV-CHERRY RIDGE LINE	Joint	283
284	CRLC	Support Systems, Utilities and Other	22.9KV-CHERRY COMP TO RISER ACROSS DAM LINE	Joint	284
285	CRLCH	Support Systems, Utilities and Other	22.9KV-CHERRY COMPOUND LINE	Joint	285
286	HL	Support Systems, Utilities and Other	22.9KV-HOLM LINE	Joint	286
287	ICL	Support Systems, Utilities and Other	22.9KV-INTAKE CAMP LINE	Joint	287
288	INTCMP	Support Systems, Utilities and Other	(OLD) INTAKE CAMP LINE	NA	288
289	INT-OSH	Support Systems, Utilities and Other	22.9KV-INTAKE TO OSH LINE	Joint	289
290	IRL	Support Systems, Utilities and Other	22.9KV-INTAKE RADIO SITE LINE	Joint	290
291	KRT	Support Systems, Utilities and Other	(OLD) KPH TO RIDGE LINE TIE LINE	NA	291
292	MATA	Support Systems, Utilities and Other	MATHER "A" LINE	Power	292
293	MATB	Support Systems, Utilities and Other	2.4KV-MATHER "B" LINE	Power	293
294	MCPA	Support Systems, Utilities and Other	2.4KV-MOCCASIN CAMP "A" LINE	Joint	294
295	MCPB	Support Systems, Utilities and Other	2.4KV-MOCCASIN CAMP "B" LINE	Joint	295
296	MPL	Support Systems, Utilities and Other	2.4KV-MOCCASIN PEAK LINE	Joint	296
297	OAKPORT	Support Systems, Utilities and Other	120/240V-OAKDALE PORTAL LINE	Water	297
298	POLES	Support Systems, Utilities and Other	DISTRIBUTION POLE LINES	Joint	298
299	PRL	Support Systems, Utilities and Other	2.4KV-PRIEST RESERVOIR LINE	Joint	299
300	PRLN	Support Systems, Utilities and Other	PRIEST RESERVOIR COMM/SIGNAL LINE	Joint	300
301	RLT	Support Systems, Utilities and Other	(OLD) RIDGE LINE TIE LINE	NA	301
302	RRLINE	Support Systems, Utilities and Other	120/240V-ROCK RIVER LINE	Water	302
303	SJVHLN	Support Systems, Utilities and Other	120/240V-SAN JOAQUIN VALVE HOUSE LINE	Water	303
304	MAXBRKVT1	Support Systems, Utilities and Other	VILLAGE XFMR 1, CIRCUIT BREAKER, MPH1 LOCATION	Joint	304
305	MAXBRKVT2	Support Systems, Utilities and Other	VILLAGE XFMR 2 CIRCUIT BREAKER LOCATION	Joint	305
306	TESLP	Support Systems, Utilities and Other	12KV-TESLA PORTAL LINE	Water	306
307	INTHSFPWLACV	Support Systems, Utilities and Other	TOP INTAKE HILL/ SOUTH FORK RIVER TOWER LINE ROADS	Joint	307
308	ISYL	Support Systems, Utilities and Other	22.9KV-INTAKE SWITCHYARD LINE	Power	308
309	ISOILFLT	Support Systems, Utilities and Other	TRAILER MOUNTED OIL FILTER	Power	309
310	ISYPLCCOMM	Support Systems, Utilities and Other	ISY POWER LINE CARRIER EQUIP	Power	310
312	ISY	Support Systems, Utilities and Other	INTAKE SWITCHYARD	Power	312
313	ISYB	Support Systems, Utilities and Other	ISY BOGUE UNIT	Power	313
314	ISYBUSTIE	Support Systems, Utilities and Other	INTAKE SWITCHYARD H.V. BUS TIE	Power	314
315	ISYCRB	Support Systems, Utilities and Other	INTAKE SWITCHYARD CONTROL ROOM/BUILDING	Power	315
316	ISYLIGHTS	Support Systems, Utilities and Other	SWITCHYARD LIGHTS	Power	316
317	ISYLINE1	Support Systems, Utilities and Other	INTAKE SWITCHYARD H.V. LINE 1	Power	317
318	ISYLINE10	Support Systems, Utilities and Other	INTAKE SWITCHYARD H.V. LINE 10	Power	318
319	ISYLINE11	Support Systems, Utilities and Other	INTAKE SWITCHYARD H.V. LINE 11	Power	319

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320	ISYLINE2	Support Systems, Utilities and Other	INTAKE SWITCHYARD H.V. LINE 2	Power	320
321	ISYLINE2.4	Support Systems, Utilities and Other	INTAKE CAMP LINE 2.4KV	Power	321
322	ISYLINE5	Support Systems, Utilities and Other	INTAKE SWITCHYARD H.V. LINE 5	Power	322
323	ISYLINE6	Support Systems, Utilities and Other	INTAKE SWITCHYARD H.V. LINE 6	Power	323
324	ISYLINE9	Support Systems, Utilities and Other	INTAKE SWITCHYARD H.V. LINE 9	Power	324
325	ISYPRORLY	Support Systems, Utilities and Other	ISY PROTECTIVE RELAYS	Power	325
326	LINE11TWR	Support Systems, Utilities and Other	TRANSMISSION TOWERS, LINE 11	Power	326
327	LINE1-2TWR	Support Systems, Utilities and Other	TOWERS FOR TRANSMISSION LINES 1 & 2	Power	327
328	LINE3-4TWR	Support Systems, Utilities and Other	TRANSMISSION TOWERS, LINES 3 & 4	Power	328
329	LINE5-6TWR	Support Systems, Utilities and Other	TRANSMISSION TOWERS, LINES 5 & 6	Power	329
330	LINE7-8TWR	Support Systems, Utilities and Other	TRANSMISSION TOWERS, LINES 7 & 8	Power	330
331	LINE910TWR	Support Systems, Utilities and Other	TRANSMISSION TOWERS, LINES 9 & 10	Power	331
333	MSYLINE3	Support Systems, Utilities and Other	MSY H.V. LINE 3	Power	333
334	MSYLINE4	Support Systems, Utilities and Other	MSY H.V. LINE 4	Power	334
335	MSYLINE5	Support Systems, Utilities and Other	MSY H.V. LINE 5	Power	335
336	MSYLINE6	Support Systems, Utilities and Other	MSY H.V. LINE 6	Power	336
337	122OSS	Support Systems, Utilities and Other	OAKDALE SUBSTATION (TID)	Power	337
338	CSPRORLY	Support Systems, Utilities and Other	CALAVERUS SUBSTATION PROTECTIVE RELAYS	Power	338
339	CSSPARES	Support Systems, Utilities and Other	ALL CAL SUB SPARE EQUIPMENT	Power	339
340	MID_TID_SUBS	Support Systems, Utilities and Other	NON HETCH HETCHY SUBSTATIONS	Power	340
341	ROP	Support Systems, Utilities and Other	ROP SWITCH ROOM	Power	341
342	STSUB	Support Systems, Utilities and Other	STANDIFORD SUBSTATION, MODESTO	Power	342
343	DAVISSUB	This row not included by SFPUC	DAVIS SUB STATION	NA	343
344	WDCALSUB	Support Systems, Utilities and Other	CALAVERAS SUBSTATION	Power	344
345	ISYSCADA	Support Systems, Utilities and Other	INTAKE SWITCHYARD SCADA RTU	Power	345
346	CALSCADA	Support Systems, Utilities and Other	CALAVERAS SUB SCADA RTU	Power	346
347	ROPREVMTR	Support Systems, Utilities and Other	JEM TWO ELEMENT METER	Power	347
348	ROPREVREC	Support Systems, Utilities and Other	ROP REVNUC METERING RECORDER	Power	348
349	TISSCADA	Support Systems, Utilities and Other	TREASURE ISLAND SCADA RTU	Power	349
350	REVMETERS	Support Systems, Utilities and Other	PROJECT BILLABLE REVENUE METERS	Power	350
351	PRSTSCADA	Priest Regulating Dam and Reservoir	PRIEST RESERVOIR SCADA RTU	Power	351
352	WPVSCADA	Priest Regulating Dam and Reservoir	WEST PORTAL VALVEHOUSE RTU	Power	352
353	PRBYPASS	Priest Regulating Dam and Reservoir	PRIEST BYPASS SYSTEM FROM MTN TUNNEL TO GATE TOWER	Joint	353
354	PRCANAL	Priest Regulating Dam and Reservoir	PRIEST CANAL	Power	354
355	AUXBUIER	Priest Regulating Dam and Reservoir	PRIEST RES. AUXILIARY BUILDING ELECTRICAL ROOM	Joint	355
356	AUXBUIGR	Priest Regulating Dam and Reservoir	PRIEST RES. AUXILIARY BUILDING GENERATOR ROOM	Joint	356
357	AUXBUIMR	Priest Regulating Dam and Reservoir	PRIEST RES. AUXILIARY BUILDING MECHANICAL ROOM	Joint	357
358	PRGTTWRMN	Priest Regulating Dam and Reservoir	PRIEST GATE TOWER MAIN , PRIEST	Power	358
360	PRMCPWLCRDCV	Support Systems, Utilities and Other	PRIEST TO MOCCASIN POWER LINE ROADS	Power	360
361	PRSRES	Priest Regulating Dam and Reservoir	PRIEST RESERVOIR	Power	361
362	WESTPORTAL	Priest Regulating Dam and Reservoir	WEST PORTAL EQUIPMENT	Power	362
363	MOCCPWTUN	Priest Regulating Dam and Reservoir	MOCCASIN POWER TUNNEL	Power	363
364	PRIESTCOTT	Priest Regulating Dam and Reservoir	PRIEST COTTAGE	Joint	364
365	PRIESTDM	Priest Regulating Dam and Reservoir	PRIEST DAM	Power	365
366	PRWT1	Priest Regulating Dam and Reservoir	PRIEST DOMESTIC WATER TANK	Joint	366
367	MCPSTORE		MOCCASIN GENERAL STORE BLDG		367
368	KPHASS		KIRKWOOD P.H. AUTO SPRINKLER SYSTEM		368
369	ELSURVCAB		ELEANOR MIGUEL MEADOW SURVEY CABIN		369
370	GRP		(OLD) GRANITE PORTAL LINE		370
371	JONESPOINT		JONES POINT MICROWAVE COMMUNICATION SITE		371
372	JPCSBATA		JONES POINT BATTERY BANK *A* (3 12 VOLT GELL CELL		372

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373	JPCSBATB		JONES POINT BATTERY BANK *B* (3 12 VOLT GELL CELL		373
374	JPCSBLDG		JONES POINT COMM SITE EQUIP BUILDING		374
375	JPDISH1		JONES PIONT ANTENNA DISH PATH 1 TO DUCKWALL REPEAT		375
376	JPDISH2		JONES PIONT ANTENNA DISH PATH 2 TO INTAKE SWITCHYA		376
377	JPPVCTRLA		JONES POINT PHOTOVOLTAIC CHARGER CONTROL BATTERY B		377
378	JPPVCTRLB		JONES POINT PHOTOVOLTAIC CHARGER CONTROL BATTERY B		378
379	JPSOLPNLA		JONES POINT SOLAR PANNELS *A*		379
380	JPSOLPNLB		JONES POINT SOLAR PANNELS *B*		380
381	JPTOWER		JONES PIONT TOWER STRUCTURE		381
382	JPTXALARM		JONES POINT REPEATER TRANSMIT ALARM UNIT		382
383	MCPTV		MOCCASIN CABLE TELEVISION SYS		383
384	OAKLAND		OAKLAND EQUIPMENT AND BUILDINGS		384
385	BMIS		MAINFRAME COMPUTER IN S.F.		385
386	HH RRAS		ASSETS THAT ARE RETIRED OR NO LONGER IN SERVICE		386
387	SANFRAN		SAN FRANCISCO EQUIPMENT & BUILDINGS		387
388	VALDIV		VALLEY DIVISION EQUIPMENT		388
389	1155MKT		1155 MARKET STREET		389
390	COLLEGE		SF CITY COLLEGE		390
391	MOSCONE		MOSCONE CENTER		391
392	TESCT		TESLA COTTAGE		392
393	TESGAR		TESLA GARAGE		393
394	TESLAFUEL		TESLA PORTAL FUELING STATION		394
395	MOCCPENSRCV	Support Systems, Utilities and Other	MOCCASIN CAMP PENSTOCK SOUTH SIDE ROAD CULVERT	Joint	395
396	PRIESTAUXBUI	Support Systems, Utilities and Other	PRIEST RES. AUXILIARY BUILDING, CONTROL ROOM, SUBS	Joint	396
397	PRIESTDIRDCV	Support Systems, Utilities and Other	PRIEST DIRT ROADS PRIEST CULVERT	Joint	397
398	PRIESTDIRTRD	Support Systems, Utilities and Other	PRIEST AREA DIRT ROADS, PRIEST	Joint	398
399	PRIESTPARDCV	Support Systems, Utilities and Other	PRIEST AREA PAVED ROADS, PRIEST CULVERT	Joint	399
400	PRIESTPAVERD	Support Systems, Utilities and Other	PRIEST AREA PAVED ROADS, PRIEST	Joint	400
401	PRIESTRDS	Support Systems, Utilities and Other	PRIEST AREA ROADS, PRIEST	Joint	401
402	OSHBR	Support Systems, Utilities and Other	OSHAUGHNESSY TIMBER BRIDGE	Joint	402
403	OSHROADS	Support Systems, Utilities and Other	OSH AREA ROADS	Joint	403
404	CSTRGTNACRCV	Support Systems, Utilities and Other	PIPELINE TUNNEL RD. - CULVERTS	Joint	404
405	CSTRGTNLACCR	Support Systems, Utilities and Other	PIPELINE TUNNEL RD. - BIRD RD TO ALAMEDA EAST	Joint	405
406	DRDTOEEMRD	Support Systems, Utilities and Other	POWER LINE ACCESS RD - DIRT ACC. RD TO 2 TOWERS	Joint	406
407	EMRYRDACCRD	Support Systems, Utilities and Other	PIPELINE & PWRLINE ACCESS RD (EMERY RD - BIRD RD)	Joint	407
408	EMRYRDACRDCV	Support Systems, Utilities and Other	PIPELINE & PWRLINE ACCESS RD CULVERTS	Joint	408
409	FRHYPWLACCRD	Support Systems, Utilities and Other	FERRETTI ROAD TO HWY 120 TOWER LINE ROADS	Joint	409
410	FRHYPWLACRCV	Support Systems, Utilities and Other	FERRETTI ROAD TO HWY 120 TOWER LINE ROADS	Joint	410
411	FTDMPRACC	Support Systems, Utilities and Other	MARSHES FLAT TO MOCCASIN PEAK RADIO SITE ROAD ,	Joint	411
412	FTDMPRACCCV	Support Systems, Utilities and Other	MARSHES FLAT TO MOCCASIN PEAK RADIO SITE ROAD ,	Joint	412
413	HYMRPWLACCR	Support Systems, Utilities and Other	HWY 120 TO MERRELL ROAD TOWER LINE ROADS	Joint	413
414	ICPCHEL	Support Systems, Utilities and Other	CHERRY OIL TO ELEANOR ROAD, INTAKE /ELEANOR	Joint	414
415	ICPCHELVCV	Support Systems, Utilities and Other	CHERRY OIL TO ELEANOR ROAD CULVERT	Joint	415
416	ICPCHERRY	Support Systems, Utilities and Other	ROAD FROM INTAKE TO CHERRY VALLEY, EARLY INTAKE	Joint	416
417	ICPCHERRYCV	Support Systems, Utilities and Other	ROAD FROM INTAKE TO CHERRY VALLEY, EARLY INTAKE CULV	Joint	417
418	ICPHILLRD	Support Systems, Utilities and Other	ROAD-INTAKE HILL FROM RED HILLS TO INTAKE	Joint	418
419	ICPHILLRDCV	Support Systems, Utilities and Other	ROAD INTAKE HILLFROM RED HILLS TO INTAKE, CULVERTS	Joint	419
420	ICPHPHRD	Support Systems, Utilities and Other	CHERRY OIL TO HPH ROAD,INTAKE/HPH ROAD	Power	420
421	ICPHPHRDCV	Support Systems, Utilities and Other	CHERRY OIL ROADTO HPH ROAD,INTAKE/HPH ROAD CULVERT	Power	421
422	ICPMATHER	Support Systems, Utilities and Other	ROAD FROM TOP OF INTAKE HILL TO CAMP MATHER	Joint	422
423	ICPREDHILL	Support Systems, Utilities and Other	ROADWAY-HWY120 TO INTAKE HILL EARLY INTAKE	Joint	423

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424	ICPREDHILLCV	Support Systems, Utilities and Other	ROADWAY-HWY120 TO INTAKE HILL EARLY INTAKE	Joint	424
425	ICPROADS	Support Systems, Utilities and Other	INTAKE/CHERRY/MATHER/ELEANOR AREA ROADS	Joint	425
426	J59RRRPLACRD	Support Systems, Utilities and Other	POWER LINE ACCESS RD - RD J59 TO ROCK RIVER ROAD	Joint	426
428	MCDIRTRDSCV	Support Systems, Utilities and Other	MOCCASIN DIRT ROADS CULVERTS	Joint	428
429	MCPAVERDS	Support Systems, Utilities and Other	MOCCASIN AREA PAVED ROADS	Joint	429
430	MCPAVERDSCV	Support Systems, Utilities and Other	MOCCASIN AREA PAVED ROADS CULVERTS	Joint	430
431	MCPROADS	Support Systems, Utilities and Other	MOCCASIN AREA ROADS	Joint	431
433	MCPRRGCV	Support Systems, Utilities and Other	MOCCASIN TO PRIEST RAILROAD GRADE , MOCCASIN	Joint	433
434	MOCCPENSTSRD	Support Systems, Utilities and Other	MOCCASIN AREA ROADS PENSTOCK SOUTH SIDE MCP	Joint?	434
435	MOCTOMARSFL	Support Systems, Utilities and Other	MOCCASIN TO MARSH FLAT TOWER 239S TOWER LINE	Joint	435
436	MRPCPWLACCRD	Support Systems, Utilities and Other	MERRELL ROAD TO PRIEST TOWER LINE ROADS	Joint	436
437	MRPCPWLACRCV	Support Systems, Utilities and Other	MERRELL ROAD TO PRIEST TOWER LINE ROADS	Joint	437
438	MSJPWLACCRD	Support Systems, Utilities and Other	POWER LINE ACCESS RD - BIRD RD TO MISSION SAN JOSE	Joint	438
439	MT5-6ACRO	Support Systems, Utilities and Other	MOUNTAIN TUNNEL ACCESS ROAD TO 5-6 ADIT	Joint	439
440	MT5-6ACROCV	Support Systems, Utilities and Other	MOUNTAIN TUNNEL ACCESS ROAD TO 5-6 ADIT CULVERT	Joint	440
441	RMBWLACCRD	Support Systems, Utilities and Other	PIPELINE ACCESS RD - RMB TO EMERY RD	Joint	441
442	RMBWLACRDC	Support Systems, Utilities and Other	PIPELINE ACCESS CULVERT RD - RMB TO EMERY RD	Joint	442
443	RMBWPWLACCR	Support Systems, Utilities and Other	POWER LINE ACCESS RD - RMB TO J59	Joint	443
444	RRRLIMPTWLRD	Support Systems, Utilities and Other	POWER LINE ACCESS RD - ROCK RIVER ROAD LIME PIT	Joint	444
446	SFRFRPWLACV	Support Systems, Utilities and Other	SOUTH FORK RIVER TO FERRETTI ROAD TOWER LINE ROADS	Joint	446
447	WESTPORTALRD	Support Systems, Utilities and Other	WEST PORTAL AREA ROADS	Joint	447
448	WILRDTODACRD	Support Systems, Utilities and Other	POWER LINE ACCESS RD - WILMS ROAD TO DIRT ACC. RD	Joint	448
449	WPPAVERDSCV	Support Systems, Utilities and Other	WEST PORTAL AREA PAVED ROADS CULVERT	Joint	449
450	INTHSFPWLACC	Support Systems, Utilities and Other	TOP INTAKE HILL/ SOUTH FORK RIVER TOWER LINE ROADS	Joint	450
451	MARSFLDONPCV	Support Systems, Utilities and Other	MARSH FLAT TO DON PEDRO TOWER 243S TO TOWER 258S	Joint	451
452	MARSFLTODONP	Support Systems, Utilities and Other	MARSH FLAT TO DON PEDRO TOWER 243S TO TOWER 258S	Joint	452
453	MOCMARSFLCCV	Support Systems, Utilities and Other	MOCCASIN TO MARSH FLAT TOWER 239S TOWER LINE	Joint	453
454	MOCMARSFLCV	Support Systems, Utilities and Other	MOCCASIN TO MARSH FLAT TOWER 239S TOWER LINE	Joint	454
455	PRMCPWLACCRD	Support Systems, Utilities and Other	PRIEST TO MOCCASIN TOWER LINE ROADS	Joint	455
456	VDPLACCRD	Support Systems, Utilities and Other	ALL PIPELINE ACCESS ROADS	Joint	456
457	ICPMATHERCV	Support Systems, Utilities and Other	ROAD FROM TOP OF INTAKE HILL TO CAMP MATHER CULVER	Joint	457
458	V-HH-EQP	Support Systems, Utilities and Other	HEAVY EQUIPMENT	Joint	458
459	DWTXALARM	Support Systems, Utilities and Other	DUCKWALL REPEATER TRANSMIT ALARM UNIT	Joint	459
460	MPRRALMRX	Support Systems, Utilities and Other	MPR REPEATER ALARM RECEIVER	Joint	460
461	MPRSCADA	Support Systems, Utilities and Other	MOCCASIN PEAK RADIO SITE RTU	Joint	461
462	SCADA	Support Systems, Utilities and Other	HHWP SCADA SYSTEM	Joint	462
463	SCADAMSTER	Support Systems, Utilities and Other	NEW L&G 6800 SCADA MASTER	NA	463
464	SCADAMSTR	Support Systems, Utilities and Other	SCADA MASTER STATION A & B	NA	464
465	SCADAMSTR-TG	Support Systems, Utilities and Other	SCADA MASTER, NEW TG8000-EMS SCADA	NA	465
466	HHMOCCNET	Support Systems, Utilities and Other	PROJECT NOVELL 386 NETWORK	NA	466
467	BLKNGCARR	Support Systems, Utilities and Other	BLOCKING CARRIER SYSTEMS	Power	467
468	BORCS	Support Systems, Utilities and Other	BURNOUT RIDGE COMMUNICATION SITE	Joint	468
469	BORMICROWAV	Support Systems, Utilities and Other	BURN OUT RIDGE MICROWAVE COMMUNICATION SITE	Joint	469
470	COMM	Support Systems, Utilities and Other	HHWP COMMUNICATION SYSTEMS	Joint	470
471	COMPTREQP	Support Systems, Utilities and Other	COMPUTER EQUIP, ELECTRONIC DEVICES & SECURITY KEYS	Joint	471
472	CTSMICROWAVE	Support Systems, Utilities and Other	CHERRY MICROWAVE COMMUNICATION SITE	Joint	472
473	CVCS	Support Systems, Utilities and Other	CHERRY VALLEY COMMUNICATION SITE	Joint	473
474	DATACOMM	Support Systems, Utilities and Other	DATA COMMUNICATION SYSTEMS	Joint	474
475	DUCKWALL	Support Systems, Utilities and Other	DUCKWALL MICROWAVE COMMUNICATION SITE	Joint	475
476	DWCSBATA	Support Systems, Utilities and Other	COMM SITE BATTERY BANK *A* (5-12 VOLT GELL CELL BA	Joint	476
477	DWCSBATB	Support Systems, Utilities and Other	COMM SITE BATTERY BANK *B* (5-12 VOLT GELL CELL BA	Joint	477

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478	DWCSBLDG	Support Systems, Utilities and Other	DUCKWALL COMM SITE EQUIP BUILDING	Joint	478
479	DWDISH1	Support Systems, Utilities and Other	DUCKWALL ANTENNA DISH PATH 1 TO JONES POINT REPEAT	Joint	479
480	DWDISH2	Support Systems, Utilities and Other	DUCKWALL ANTENNA DISH PATH 2 TO MOCCASIN PEAK REPE	Joint	480
481	DWPVCTRLA	Support Systems, Utilities and Other	DUCKWALL PHOTOVOLTAIC CHARGER CONTROL BATTERY BANK	Joint	481
482	DWPVCTRLB	Support Systems, Utilities and Other	DUCKWALL PHOTOVOLTAIC CHARGER CONTROL BATTERY BANK	Joint	482
483	DWSOLPNLA	Support Systems, Utilities and Other	DUCKWALL SOLAR PANNELS *A*	Joint	483
484	DWSOLPNLB	Support Systems, Utilities and Other	DUCKWALL SOLAR PANNEL *B*	Joint	484
485	DWTOWER	Support Systems, Utilities and Other	DUCKWALL TOWER STRUCTURE	Joint	485
486	ICPRAD	Support Systems, Utilities and Other	ICP RADIO BUILDING	Joint	486
487	ICPRADIOSITE	Support Systems, Utilities and Other	EARLY INTAKE RADIO SITE	Joint	487
488	IRSMICROWAVE	Support Systems, Utilities and Other	INTAKE MICROWAVE COMMUNICATION SITE	Joint	488
489	MCPMICROWAV	Support Systems, Utilities and Other	MOCCASIN CAMP MICROWAVE COMMUNICATION SITE BUILDING	Joint	489
490	MCPRADST	Support Systems, Utilities and Other	OLD MOCCASIN RADIO STATION BLDG	NA	490
491	MICROCOMM	Support Systems, Utilities and Other	MICROWAVE COMMUNICATION SYSTEMS	Joint	491
492	MPR	Support Systems, Utilities and Other	MOCCASIN PK. RADIO SITE	Joint	492
493	MPRBLDG	Support Systems, Utilities and Other	MOCCASIN PK. RADIO SITE BUILDING	Joint	493
494	MPRFRBBA	Support Systems, Utilities and Other	MPR FLOTROL RECTIFIER BATT BANK A	Joint	494
495	MPRFRBBB	Support Systems, Utilities and Other	MPR FLOTROL RECTIFIER BATT BANK B	Joint	495
496	MPRGEN	Support Systems, Utilities and Other	MOCCASIN PEAK RADIO SITE STAND-BY GENERATOR / LP	Joint	496
497	MPRGENCUC	Support Systems, Utilities and Other	MPR STNBY GENERATOR CTRL UNIT	Joint	497
498	MPRHAL	Support Systems, Utilities and Other	MOCC PEAK RADIO BUILDING HALON SYS	Joint	498
499	OPTICCOMM	Support Systems, Utilities and Other	OPTICAL FIBER COMMUNICATION SYSTEMS	Joint	499
500	PPPCS	Support Systems, Utilities and Other	POOPENAUT PASS COMMUNICATION SITE	Joint	500
501	PPPMICROWAVE	Support Systems, Utilities and Other	POOPANAUNT PASS MICROWAVE COMMUNICATION SITE	Joint	501
502	RADIOCOMM	Support Systems, Utilities and Other	RADIO COMMUNICATION SYSTEMS	Joint	502
503	TELCOMM	Support Systems, Utilities and Other	TELEPHONE COMMUNICATION SYSTEMS	Joint	503
504	TRANFTRIP	Support Systems, Utilities and Other	TRANSFER TRIP SYSTEMS	Power	504
505	WESTPORTCS	Support Systems, Utilities and Other	WEST PORTAL COMMUNICATION SITE	Joint	505
506	PWRLNCARR	Support Systems, Utilities and Other	POWER LINE CARRIER SYSTEMS	Power	506
507	HHKEYS	Support Systems, Utilities and Other	HETCH HETCHY SECURITY KEYS, MOCCASIN	Joint	507
508	WSBSCADA	Facilities West of Moccasin Gate Tower	WARNERVILLE SHOP BLDG RTU	Joint	508
509	WSYSCADA	Facilities West of Moccasin Gate Tower	WARNERVILLE SWITCHYARD SCADA RTU	Joint	509
510	WSYCRB	Facilities West of Moccasin Gate Tower	WSY CONTROL ROOM/BUILDING, WSY	Power	510
511	WSYCT	Facilities West of Moccasin Gate Tower	WARNERVILLE COTTAGES	Joint	511
512	WSYDWS	Facilities West of Moccasin Gate Tower	WARNERVILLE DOMESTIC WATER SYSTEM , WARNERVILLE	Joint	512
513	WSYFUEL	Facilities West of Moccasin Gate Tower	WARNERVILLE FUELING STATION	Joint	513
514	WSYSHPS	Facilities West of Moccasin Gate Tower	WARNERVILLE SHOPS/OFFICE BUILDING	Joint	514
515	WSY	Facilities West of Moccasin Gate Tower	WARNERVILLE SWITCHYARD/SUBSTATION	Power	515
516	WSY115KVT1	Facilities West of Moccasin Gate Tower	115KV NUMBER 1 TRANSFORMER BUS	Power	516
517	WSY115KVT2	Facilities West of Moccasin Gate Tower	115KV NUMBER 2 TRANSFORMER BUS	Power	517
518	WSY115KVT3	Facilities West of Moccasin Gate Tower	115KV NUMBER 3 TRANSFORMER BUS	Power	518
519	WSYBUSTIE	Facilities West of Moccasin Gate Tower	WARNERVILLE SW YARD BUS TIE 230KV	Power	519
520	WSYDELG	Facilities West of Moccasin Gate Tower	WARNERVILLE SUB DELUGE SYSTEM	Power	520
521	WSYLINE5	Facilities West of Moccasin Gate Tower	WARNERVILLE SWITCHYARD H.V. LINE 5	Power	521
522	WSYLINE6	Facilities West of Moccasin Gate Tower	WARNERVILLE SWITCHYARD H.V. LINE 6	Power	522
523	WSYLINE7	Facilities West of Moccasin Gate Tower	WARNERVILLE SWITCHYARD 115KV LINE 7	Power	523
524	WSYLINE8	Facilities West of Moccasin Gate Tower	WARNERVILLE SWITCHYARD 115KV LINE 8	Power	524
525	WSYPGEL2BG	Facilities West of Moccasin Gate Tower	WSY PGE LINE 2 BELLOTA GREGG	Power	525
526	WSYPRORLY	Facilities West of Moccasin Gate Tower	WSY PROTECTIVE RELAYS	Power	526
527	WSYSUMP	Facilities West of Moccasin Gate Tower	WARNERVILLE SWITCH YARD SUMP PUMP	Power	527
528	WSYTB1	Facilities West of Moccasin Gate Tower	230KV NUMBER 1 TRANSFORMER BUS	Power	528

Maximo Record Number	Maximo ID Location	SFPUC Facility Group	Facility	Classification	Maximo Record Number
529	WSYTB2&3	Facilities West of Moccasin Gate Tower	230KV BUS FOR NUMBER 2&3 XFMR	Power	529
530	WSYDWBFP	Facilities West of Moccasin Gate Tower	WARNERVILLE BACK FLOW PREVENTERS, WSY	Joint	530
531	OPVSCADA	Facilities West of Moccasin Gate Tower	OAKDALE PORTAL VALVEHOUSE RTU	Water	531
532	ARVHSCADA	Facilities West of Moccasin Gate Tower	ALBERS RD VALVE HOUSE SCADA RTU	Water	532
533	101PJ4VH	Facilities West of Moccasin Gate Tower	SJPL3 and SJPL4 JUNCTION VALVEHOUSE	Water	533
534	ALBERVH	Facilities West of Moccasin Gate Tower	ALBERS RD VALVE HOUSE	Water	534
535	ALMPORTAL	Facilities West of Moccasin Gate Tower	ALAMEDA EAST PORTAL	Water	535
536	AVH	Facilities West of Moccasin Gate Tower	ALAMEDA VALVE HOUSE #2	Water	536
537	CASHCRVH	Facilities West of Moccasin Gate Tower	CASHMAN CREEK VALVE HOUSE	Water	537
538	CSTRNGTNL	Facilities West of Moccasin Gate Tower	COAST RANGE TUNNEL / TESLA - SUNOL	Water	538
539	EMERYCOAUX	Facilities West of Moccasin Gate Tower	EMERY ROAD CROSSOVER AUX CONTROL BUILDING	Water	539
540	EMERYCOVH	Facilities West of Moccasin Gate Tower	EMERY ROAD CROSSOVER VALVE HOUSE	Water	540
541	FTDBRNAD	Facilities West of Moccasin Gate Tower	FOOTHILL TNL BROWNS TUNNEL ACCESS	Water	541
542	FTDRMBE	Facilities West of Moccasin Gate Tower	FOOTHILL TUNNEL RED MNTN BAR EAST	Water	542
543	FTDRMBSPH	Facilities West of Moccasin Gate Tower	RED MNTN BAR SIPHON , RED MOUNTAIN BAR	Water	543
544	FTDRMBSS	Facilities West of Moccasin Gate Tower	RED MNTN BAR EAST SURGE SHAFT , RED MOUNTAIN BAR	Water	544
545	FTHTNLDIV	Facilities West of Moccasin Gate Tower	FOOTHILL TUNNEL DIVISION	Water	545
546	OAKPORTAL	Facilities West of Moccasin Gate Tower	OAKDALE PORTAL VALVE HOUSES	Water	546
547	PELICANCOVH	Facilities West of Moccasin Gate Tower	PELICAN CROSSOVER VALVE HOUSE	Water	547
548	PELICANXOAUX	Facilities West of Moccasin Gate Tower	PELICAN CROSSOVER AUX CONTROL BUILDING	Water	548
549	PL2THSEAU	Facilities West of Moccasin Gate Tower	SJPL2, THROTTLING STATION #1, AUXILIARY	Water	549
550	PL2THSWAU	Facilities West of Moccasin Gate Tower	SJPL2, THROTTLING STATION #2, AUXILIARY	Water	550
551	RMBGATHOU	Facilities West of Moccasin Gate Tower	RED MOUNTAIN BAR WEST GATE HOUSE, RMB	Water	551
552	RMBSCADA	Facilities West of Moccasin Gate Tower	RED MTN. BAR SLIDE GATE RTU	Water	552
553	ROSELCOAUX	Facilities West of Moccasin Gate Tower	ROSELLE AVE CROSSOVER AUX BUILDING	Water	553
554	ROSELCOVH	Facilities West of Moccasin Gate Tower	ROSELLE AVE. CROSSOVER VALVE HOUSE	Water	554
555	RR	Facilities West of Moccasin Gate Tower	ROCK RIVER	Water	555
556	RRLSCADA	Facilities West of Moccasin Gate Tower	ROCK RIVER LIME PLANT RTU	Water	556
557	SJCSCADA	Facilities West of Moccasin Gate Tower	SAN JOAQUIN PIPELINE CROSS-OVER RTU	Water	557
558	SJPL	Facilities West of Moccasin Gate Tower	SAN JOAQUIN VALLEY PIPELINES	Water	558
559	SJPL2THSE	Facilities West of Moccasin Gate Tower	SAN JOAQUIN PIPELINE 2, THROTTLING STATION #1	Water	559
560	SJPL2THSW	Facilities West of Moccasin Gate Tower	SAN JOAQUIN PIPELINE 2, THROTTLING STATION #2	Water	560
561	SJPL3THS	Facilities West of Moccasin Gate Tower	SAN JOAQUIN PIPELINE 3,4 THROTTLING STATION	Water	561
562	SJVH	Facilities West of Moccasin Gate Tower	SAN JOAQUIN VALVE HOUSE	Water	562
563	SJVHAUXBLDG	Facilities West of Moccasin Gate Tower	SAN JOAQUIN VALVE HOUSE AUXILLARY BUILDING	Water	563
564	SJVSCADA	Facilities West of Moccasin Gate Tower	SAN JOAQUIN VALVEHOUSE RTU	Water	564
565	TESCHLOR	Facilities West of Moccasin Gate Tower	TESLA CHLORINATION BUILDING	Water	565
566	TESGENHSE	Facilities West of Moccasin Gate Tower	TESLA GENERATOR HOUSE	Water	566
567	TESLA-HH	Facilities West of Moccasin Gate Tower	TESLA PORTAL EQUIPMENT AND BLDGS	Water	567
568	TESPORTAL	Facilities West of Moccasin Gate Tower	TESLA PORTAL VALVE HOUSES	Water	568
569	TESPUMPHSE	Facilities West of Moccasin Gate Tower	TESLA PUMPHOUSE	Water	569
570	TPVSCADA	Facilities West of Moccasin Gate Tower	TESLA PORTAL VALVEHOUSE RTU	Water	570
571	TSLDWS	Facilities West of Moccasin Gate Tower	TESLA DOMESTIC WATER SYSTEM	Water	571
572	TSLSEWSYS	Facilities West of Moccasin Gate Tower	TESLA PORTAL SEWAGE SYSTEM	Water	572
573	TUTF	Facilities West of Moccasin Gate Tower	TESLA ULTRAVIOLET TREATMENT FACILITY	Water	573
574	TUVH	Facilities West of Moccasin Gate Tower	TESLA ULTRAVIOLET VALVE HOUSE	Water	574
575	VDHHSHAFT	Facilities West of Moccasin Gate Tower	HETCH HETCHY SURGE SHAFT	Water	575
576	VDOAKOVR	Facilities West of Moccasin Gate Tower	FTHL TNL OAKDALE PORTAL OVERFLOW SHAFT	Water	576
577	VPEDROADT	Facilities West of Moccasin Gate Tower	FOOTHILL TNL PEDRO ACCESS	Water	577
578	VDRMBW	Facilities West of Moccasin Gate Tower	RED MNTN BAR WEST	Water	578

**Amendment 1:
Oversight of SFPUC's
Capital Improvement Program (CIP)
(Sec. 6.09)**

6.09 SFPUC Adoption of Regional Water System 10-Year Capital Improvement Program

- A. Established Level of Service Goals and Objectives. In approving the WSIP, the Commission adopted Level of Service Goals and Objectives that are, in part, used to develop capital programs related to water, including the 10-Year Capital Improvement Program for the Regional Water System ("10-Year CIP"). BAWSCA and the Wholesale Customers shall have the opportunity to review and provide written or oral comments on any changes to the Level of Service Goals and Objectives that may be submitted to the Commission for approval.
- B. Submittal of an Asset Management Policy. Prior to December 31, 2020, the SFPUC shall develop and submit to the Commission for approval an Asset Management Policy applicable to the Regional Water System.
- C. Coordination of 10-Year CIP and SFPUC Budget Meetings. The Commission annually reviews, updates, and adopts a 10-Year CIP pursuant to Section 8B.123 of the San Francisco Charter. At two-year intervals, the Commission holds two budget meetings concerning the 10-Year CIP. Over the course of the two budget meetings, the SFPUC reviews its budget priorities, potential changes to projects in the previously adopted 10-Year CIP, and the potential financial implications of such changes. In the event that Charter amendments are placed on the ballot that could alter or amend the City's budget preparation and adoption efforts, BAWSCA shall be notified in advance of any proposed change that could result in a less robust CIP development effort, and BAWSCA and the SFPUC shall meet to consider BAWSCA's comments on maintaining a robust CIP development effort.
- D. Mid-cycle Changes to the 10-Year CIP. The SFPUC shall include within the Water Enterprise Capital Improvement Program Quarterly Projects Reports that it provides to the Commission ("CIP Quarterly Projects Reports") discussion of any material changes proposed to projects that are included in the most recently adopted 10-Year CIP. The SFPUC defines a material change as a change that applies to a CIP project whose approved CIP budget is equal to or greater than \$5,000,000 that results in one or more of the following:

1. Increases the cost of the CIP project by more than 10%.
2. Increases the schedule of the CIP project by extending said schedule by 12 calendar months or greater.
3. Affects the SFPUC's ability to meet the Level of Service Goals and Objectives.

The SFPUC shall also include within the CIP Quarterly Projects Reports discussion of any new capital project that is not included in the most recently adopted 10-Year CIP if the SFPUC has 1) begun spending on the project and 2) anticipates that it will require total funding in excess of \$5,000,000. For such projects, the parties recognize that the work may be of an urgent nature and that details of those projects may be developing quickly to address a critical need. The SFPUC commits that, for these projects, an expanded discussion will be provided in quarterly reports generated 6 months following the creation of the project in the City's finance and accounting system. At a minimum, the discussion will include: 1) a detailed scope of work, 2) schedule, 3) cost breakdown, and 4) proposed source of funding. This level of detail shall continue to be included in subsequent quarterly reports through either the completion of the work or until the work is included as part of an adopted 10-Year CIP.

E. BAWSCA and Wholesale Customer Notice and Review. Beginning in 2020, at least 30 days before the first budget meeting, the SFPUC shall provide BAWSCA and the Wholesale Customers with written notice of the dates of the two budget meetings. At least 30 days before the first budget meeting, the SFPUC shall also provide BAWSCA and the Wholesale Customers with a draft of the 10-Year CIP and meet with those same parties to review potential candidate projects that it is considering for inclusion in the 10-Year CIP. Final materials for the first budget meeting will be made available to BAWSCA and the Wholesale Customers no less than 14 days prior to that budget meeting. Final materials for the second budget meeting will be made available to BAWSCA and the Wholesale Customers on the same date that they are made available to the Commission. Prior to the Commission's adoption of the 10-Year CIP at the second budget meeting, San Francisco shall respond, in writing, to all written comments by BAWSCA and the Wholesale Customers on the 10-Year CIP that were submitted prior to the date of the first budget meeting.

F. Contents of Draft 10-Year CIP – Projects in Years One and Two of 10-Year Schedule.

The SFPUC's CIP projects generally fall into three categories: defined projects, placeholder concepts that could become projects, and programmatic spending for expenses likely to be made but for which there is no schedule. Projects in the near-term years of the 10-Year CIP have more definition than those in the outer years, and as a result more detailed information is available for them. For each project listed that has significant expected expenditures identified in the first two years of the 10-Year CIP, the draft 10-Year CIP made available to BAWSCA and the Wholesale Customers shall include the following elements:

1. Project name.
2. Project description and justification.
3. Description of the project's relationship to the Level of Service Goals and Objectives.
4. Project asset classification for cost-allocation purposes, pursuant to Attachment R for Hetch Hetchy Enterprise assets, or as Regional or Retail for Water Enterprise assets.
5. Project schedule where applicable, broken down by phase, through to completion.
6. Total project budget estimate including a proposed inflation rate.

G. Contents of Draft 10-Year CIP – Projects Listed After First Two Years of 10-Year Schedule. For each project that is listed in years three through ten of the 10-Year CIP, the draft 10-Year CIP made available to BAWSCA and the Wholesale Customers shall include the following elements:

1. Project name.
2. Project description and justification.
3. Description of the project's relationship to the Level of Service Goals and Objectives.
4. Project asset classification for cost-allocation purposes, pursuant to Attachment R for Hetch Hetchy Enterprise assets, or as Regional or Retail for Water Enterprise assets.
5. Project schedule information that forms the basis for project planning if available.

6. Total project budget estimate.

H. Additional Contents of Draft 10-Year CIP. The draft 10-Year CIP made available to BAWSCA and the Wholesale Customers shall also include the following:

1. A discussion of any changes to projects in the previously adopted 10-Year CIP, the reasons for such changes, any impact of the proposed changes on the SFPUC's ability to achieve the Level of Service Goals and Objectives, and the SFPUC's proposal for meeting the specific Level of Service Goals and Objectives in question.
2. A discussion of factors that have influenced the 10-Year CIP budget or identified projects, or have the potential to influence the overall budget or the number, cost and scale of identified projects, such as rate increase considerations, local rate setting policies, etc.
3. A discussion of how the CIP will be staffed.
4. A cash flow estimate for each project included as part of the first five years of the 10-Year CIP that considers historical spending and changes in the amount of work to be done.
5. Project spreadsheets that separate new projects from existing projects.
6. A summary roll-up for Regional costs, including all programmatic costs budgeted in the 10-Year CIP.

I. Quarterly Reporting and Meetings.

1. CIP Quarterly Projects Reports. The SFPUC shall include within the CIP Quarterly Projects Reports a detailed status update of each Regional project in the 10-Year CIP that has an estimated cost greater than \$5 million and a summary of the work completed to date for such projects. The CIP Quarterly Projects Reports shall focus on the first two years' projects in the 10-Year CIP, but shall also demonstrate a connection to the 10-Year CIP asset classification and the Level of Service Goals and Objectives. The CIP Quarterly Projects Reports shall identify any Regional project in the 10-Year CIP with an estimated cost greater than \$5 million that is behind schedule, and, for each project so identified, shall describe the SFPUC's plan and timeline for either making up the delay or

adopting a revised project schedule. In each fourth quarter of the fiscal year CIP Quarterly Projects Report, the SFPUC will also address the status of Regional projects in the 10-Year CIP that have an estimated cost of less than \$5 million, noting any such projects that are behind schedule and describing the SFPUC's plan and timeline for either making up the delay or adopting a revised project schedule.

2. Quarterly Meetings. If requested by BAWSCA, the SFPUC shall hold quarterly meetings with BAWSCA to review each CIP Quarterly Projects Report, during which the SFPUC shall present information and detail about the individual projects and overall implementation of the 10-Year CIP, as well as the need for re-prioritization and/or the proposal of new candidate projects for consideration as part of the next update of the 10-Year CIP. As part of the meeting held in each fourth quarter of the fiscal year, the SFPUC shall provide additional information and detail regarding the CIP development schedule and associated coordination proposed with BAWSCA.

**Amendment 2:
Tier 1 Drought Allocataion Plan
(Attachment H; Sec. 2.1)**

ATTACHMENT H

WATER SHORTAGE ALLOCATION PLAN

This Interim Water Shortage Allocation Plan ("Plan") describes the method for allocating water between the San Francisco Public Utilities Commission ("SFPUC") and the Wholesale Customers collectively during shortages caused by drought. The Plan implements a method for allocating water among the individual Wholesale Customers which has been adopted by the Wholesale Customers. The Plan includes provisions for transfers, banking, and excess use charges. The Plan applies only when the SFPUC determines that a system-wide water shortage due to drought exists, and all references to "shortages" and "water shortages" are to be so understood. This Plan was adopted pursuant to Section 7.03(a) of the 1984 Settlement Agreement and Master Water Sales Contract and has been updated to correspond to the terminology used in the June 2009 Water Supply Agreement between the City and County of San Francisco and Wholesale Customers in Alameda County, San Mateo County and Santa Clara County ("Agreement").

SECTION 1. SHORTAGE CONDITIONS

1.1. Projected Available SFPUC Water Supply. The SFPUC shall make an annual determination as to whether or not a shortage condition exists. The determination of projected available water supply shall consider, among other things, stored water, projected runoff, water acquired by the SFPUC from non-SFPUC sources, inactive storage, reservoir losses, allowance for carryover storage, and water bank balances, if any, described in Section 3.

1.2 Projected SFPUC Purchases. The SFPUC will utilize purchase data, including volumes of water purchased by the Wholesale Customers and by Retail Customers (as those terms are used in the Agreement) in the year immediately prior to the drought, along with other available relevant information, as a basis for determining projected system-wide water purchases from the SFPUC for the upcoming year.

1.3. Shortage Conditions. The SFPUC will compare the available water supply (Section 1.1) with projected system-wide water purchases (Section 1.2). A shortage condition exists if the SFPUC determines that the projected available water supply is less than projected system-wide water purchases in the upcoming Supply Year (defined as the period from July 1 through June 30). When a shortage condition exists, SFPUC will determine whether voluntary or mandatory actions will be required to reduce purchases of SFPUC water to required levels.

1.3.1 Voluntary Response. If the SFPUC determines that voluntary actions will be sufficient to accomplish the necessary reduction in water use throughout its service area, the SFPUC and the Wholesale Customers will make good faith efforts to reduce their water purchases to stay within their annual shortage allocations and associated monthly water use budgets. The SFPUC will not impose excess use charges during periods of voluntary rationing, but may suspend the

prospective accumulation of water bank credits, or impose a ceiling on further accumulation of bank credits, consistent with Section 3.2.1 of this Plan.

1.3.2 Mandatory Response. If the SFPUC determines that mandatory actions will be required to accomplish the necessary reduction in water use in the SFPUC service area, the SFPUC may implement excess use charges as set forth in Section 4 of this Plan.

1.4. Period of Shortage. A shortage period commences when the SFPUC determines that a water shortage exists, as set forth in a declaration of water shortage emergency issued by the SFPUC pursuant to California Water Code Sections 350 et seq. Termination of the water shortage emergency will be declared by resolution of the SFPUC.

SECTION 2. SHORTAGE ALLOCATIONS

2.1. Annual Allocations between the SFPUC and the Wholesale Customers. The annual water supply available during shortages will be allocated between the SFPUC and the collective Wholesale Customers as follows:

Level of System Wide Reduction in Water Use Required	Share of Available Water	
	SFPUC Share	Wholesale Customers Share
5% or less	35.5%	64.5%
6% through 10%	36.0%	64.0%
11% through 15%	37.0%	63.0%
16% through 20%	37.5%	62.5%

The water allocated to the SFPUC shall correspond to the total allocation for all Retail ~~Customers.~~

Customers. In the event that the SFPUC share of the available water supply in the above table results in Retail Customers having a positive allocation (i.e., a supply of additional water rather than a required percentage reduction in water use), the SFPUC's percentage share of the available water supply in the table shall be reduced to eliminate any positive allocation to Retail Customers, with a corresponding increase in the percentage share of the available water supply allocated to the Wholesale Customers. For any level of required reduction in system-wide water use during shortages, the SFPUC shall require Retail Customers to conserve a minimum of 5%, with any resulting reallocated supply credited to storage for inclusion in calculation of projected available water SFPUC water supply in a subsequent year (Section 1.1).

The parties agree to reevaluate the percentages of the available water supply allocated to Retail and Wholesale Customers by May 1, 2028.

2.2 Annual Allocations among the Wholesale Customers. The annual water supply allocated to the Wholesale Customers collectively during system wide shortages of 20 percent or less will

be apportioned among them based on a methodology adopted by all of the Wholesale Customers, as described in Section 3.11(C) of the Agreement. In any year for which the methodology must be applied, the Bay Area Water Supply and Conservation Agency ("BAWSCA") will calculate each Wholesale Customer's individual percentage share of the amount of water allocated to the Wholesale Customers collectively pursuant to Section 2.1. Following the declaration or reconfirmation of a water shortage emergency by the SFPUC, BAWSCA will deliver to the SFPUC General Manager a list, signed by the President of BAWSCA's Board of Directors and its General Manager, showing each Wholesale Customer together with its percentage share and stating that the list has been prepared in accordance with the methodology adopted by the Wholesale Customers. The SFPUC shall allocate water to each Wholesale Customer, as specified in the list. The shortage allocations so established may be transferred as provided in Section 2.5 of this Plan. If BAWSCA or all Wholesale Customers do not provide the SFPUC with individual allocations, the SFPUC may make a final allocation decision after first meeting and discussing allocations with BAWSCA and the Wholesale Customers.

The methodology adopted by the Wholesale Customers utilizes the rolling average of each individual Wholesale Customer's purchases from the SFPUC during the three immediately preceding Supply Years. The SFPUC agrees to provide BAWSCA by November 1 of each year a list showing the amount of water purchased by each Wholesale Customer during the immediately preceding Supply Year. The list will be prepared using Customer Service Bureau report MGT440 (or comparable official record in use at the time), adjusted as required for any reporting errors or omissions, and will be transmitted by the SFPUC General Manager or his designee.

2.3. Limited Applicability of Plan to System Wide Shortages Greater Than Twenty Percent. The allocations of water between the SFPUC and the Wholesale Customers collectively, provided for in Section 2.1, apply only to shortages of 20 percent or less. The SFPUC and Wholesale Customers recognize the possibility of a drought occurring which could create system-wide shortages greater than 20 percent despite actions taken by the SFPUC aimed at reducing the probability and severity of water shortages in the SFPUC service area. If the SFPUC determines that a system wide water shortage greater than 20 percent exists, the SFPUC and the Wholesale Customers agree to meet within 10 days and discuss whether a change is required to the allocation set forth in Section 2.1 in order to mitigate undue hardships that might otherwise be experienced by individual Wholesale Customers or Retail Customers. Following these discussions, the Tier 1 water allocations set forth in Section 2.1 of this Plan, or a modified version thereof, may be adopted by mutual written consent of the SFPUC and the Wholesale Customers. If the SFPUC and Wholesale Customers meet and cannot agree on an appropriate Tier 1 allocation within 30 days of the SFPUC's determination of water shortage greater than 20 percent, then (1) the provisions of Section 3.11(C) of the Agreement will apply, unless (2) all of the Wholesale Customers direct in writing that a Tier 2 allocation methodology agreed to by them be used to apportion the water to be made available to the Wholesale Customers collectively, in lieu of the provisions of Section 3.11(C).

The provisions of this Plan relating to transfers (in Section 2.5), banking (in Section 3), and excess use charges (in Section 4) shall continue to apply during system-wide shortages greater than 20 percent.

2.4. Monthly Water Budgets. Within 10 days after adopting a declaration of water shortage emergency, the SFPUC will determine the amount of Tier 1 water allocated to the Wholesale Customers collectively pursuant to Section 2.1. The SFPUC General Manager, using the Tier 2 allocation percentages shown on the list delivered by BAWSCA pursuant to Section 2.2, will calculate each Wholesale Customer's individual annual allocation. The SFPUC General Manager, or his designee, will then provide each Wholesale Customer with a proposed schedule of monthly water budgets based on the pattern of monthly water purchases during the Supply Year immediately preceding the declaration of shortage (the "Default Schedule"). Each Wholesale Customer may, within two weeks of receiving its Default Schedule, provide the SFPUC with an alternative monthly water budget that reschedules its annual Tier 2 shortage allocation over the course of the succeeding Supply Year. If a Wholesale Customer does not deliver an alternative monthly water budget to the SFPUC within two weeks of its receipt of the Default Schedule, then its monthly budget for the ensuing Supply Year shall be the Default Schedule proposed by the SFPUC.

Monthly Wholesale Customer water budgets will be derived from annual Tier 2 allocations for purposes of accounting for excess use. Monthly Wholesale Customer water budgets shall be adjusted during the year to account for transfers of shortage allocation under Section 2.5 and transfers of banked water under Section 3.4.

2.5. Transfers of Shortage Allocations. Voluntary transfers of shortage allocations between the SFPUC and any Wholesale Customers, and between any Wholesale Customers, will be permitted using the same procedure as that for transfers of banked water set forth in Section 3.4. The SFPUC and BAWSCA shall be notified of each transfer. Transfers of shortage allocations shall be deemed to be an emergency transfer and shall become effective on the third business day after notice of the transfer has been delivered to the SFPUC. Transfers of shortage allocations shall be in compliance with Section 3.05 of the Agreement. The transferring parties will meet with the SFPUC, if requested, to discuss any effect the transfer may have on its operations.

SECTION 3. SHORTAGE WATER BANKING

3.1. Water Bank Accounts. The SFPUC shall create a water bank account for itself and each Wholesale Customer during shortages in conjunction with its resale customer billing process. Bank accounts will account for amounts of water that are either saved or used in excess of the shortage allocation for each agency; the accounts are not used for tracking billings and payments. When a shortage period is in effect (as defined in Section 1.4), the following provisions for bank credits, debits, and transfers shall be in force. A statement of bank balance for each Wholesale Customer will be included with the SFPUC's monthly water bills.

3.2. Bank Account Credits. Each month, monthly purchases will be compared to the monthly budget for that month. Any unused shortage allocation by an agency will be credited to that agency's water bank account. Credits will accumulate during the entire shortage period, subject to potential restrictions imposed pursuant to Section 3.2.1. Credits remaining at the end of the shortage period will be zeroed out; no financial or other credit shall be granted for banked water.

3.2.1. Maximum Balances. The SFPUC may suspend the prospective accumulation of credits in all accounts. Alternatively, the SFPUC may impose a ceiling on further accumulation of credits in water bank balances based on a uniform ratio of the bank balance to the annual water allocation. In making a decision to suspend the prospective accumulation of water bank credits, the SFPUC shall consider the available water supply as set forth in Section 1.1 of this Plan and other reasonable, relevant factors.

3.3. Account Debits. Each month, monthly purchases will be compared to the budget for that month. Purchases in excess of monthly budgets will be debited against an agency's water bank account. Bank debits remaining at the end of the fiscal year will be subject to excess use charges (see Section 4).

3.4. Transfers of Banked Water. In addition to the transfers of shortage allocations provided for in Section 2.5, voluntary transfers of banked water will also be permitted between the SFPUC and any Wholesale Customer, and among the Wholesale Customers. The volume of transferred water will be credited to the transferee's water bank account and debited against the transferor's water bank account. The transferring parties must notify the SFPUC and BAWSCA of each transfer in writing (so that adjustments can be made to bank accounts), and will meet with the SFPUC, if requested, to discuss any affect the transfer may have on SFPUC operations. Transfers of banked water shall be deemed to be an emergency transfer and shall become effective on the third business day after notice of the transfer has been delivered to the SFPUC. If the SFPUC incurs extraordinary costs in implementing transfers, it will give written notice to the transferring parties within ten (10) business days after receipt of notice of the transfer. Extraordinary costs means additional costs directly attributable to accommodating transfers and which are not incurred in non-drought years nor simply as a result of the shortage condition itself. Extraordinary costs shall be calculated in accordance with the procedures in the Agreement and shall be subject to the disclosure and auditing requirements in the Agreement. In the case of transfers between Wholesale Customers, such extraordinary costs shall be considered to be expenses chargeable solely to individual Wholesale Customers and shall be borne equally by the parties to the transfer. In the case of transfers between the SFPUC and a Wholesale Customer, the SFPUC's share of any extraordinary transfer costs shall not be added to the Wholesale Revenue Requirement.

3.4.1. Transfer Limitations. The agency transferring banked water will be allowed to transfer no more than the accumulated balance in its bank. Transfers of estimated prospective banked credits and the "overdrafting" of accounts shall not be permitted. The price of transfer water originally derived from the SFPUC system is to be determined by the transferring parties and is not specified herein. Transfers of banked water shall be in compliance with Section 3.05 of the

Agreement.

SECTION 4. WHOLESALE EXCESS USE CHARGES

4.1. Amount of Excess Use Charges. Monthly excess use charges shall be determined by the SFPUC at the time of the declared water shortage consistent with the calendar in Section 6 and in accordance with Section 6.03 of the Agreement. The excess use charges will be in the form of multipliers applied to the rate in effect at the time the excess use occurs. The same excess use charge multipliers shall apply to the Wholesale Customers and all Retail Customers. The excess use charge multipliers apply only to the charges for water delivered at the rate in effect at the time the excess use occurred.

4.2 Monitoring Suburban Water Use. During periods of voluntary rationing, water usage greater than a customer's allocation (as determined in Section 2) will be indicated on each SFPUC monthly water bill. During periods of mandatory rationing, monthly and cumulative water usage greater than a Wholesale Customer's shortage allocation and the associated excess use charges will be indicated on each SFPUC monthly water bill.

4.3. Suburban Excess Use Charge Payments. An annual reconciliation will be made of monthly excess use charges according to the calendar in Section 6. Annual excess use charges will be calculated by comparing total annual purchases for each Wholesale Customer with its annual shortage allocation (as adjusted for transfers of shortage allocations and banked water, if any). Excess use charge payments by those Wholesale Customers with net excess use will be paid according to the calendar in Section 6. The SFPUC may dedicate excess use charges paid by Wholesale Customers toward the purchase of water from the State Drought Water Bank or other willing sellers in order to provide additional water to the Wholesale Customers. Excess use charges paid by the Wholesale Customers constitute Wholesale Customer revenue and shall be included within the SFPUC's annual Wholesale Revenue Requirement calculation.

SECTION 5. GENERAL PROVISIONS GOVERNING WATER SHORTAGE ALLOCATION PLAN

5.1. Construction of Terms. This Plan is for the sole benefit of the parties and shall not be construed as granting rights to any person other than the parties or imposing obligations on a party to any person other than another party.

5.2. Governing Law. This Plan is made under and shall be governed by the laws of the State of California.

5.3. Effect on Agreement. This Plan describes the method for allocating water between the SFPUC and the collective Wholesale Customers during system-wide water shortages of 20 percent or less. This Plan also provides for the SFPUC to allocate water among the Wholesale Customers in accordance with directions provided by the Wholesale Customers through BAWSCA under Section 2.2, and to implement a program by which such allocations may be voluntarily transferred among the Wholesale Customers. The provisions of this Plan are

intended to implement Section 3.11(C) of the Agreement and do not affect, change or modify any other section, term or condition of the Agreement.

5.4. Inapplicability of Plan to Allocation of SFPUC System Water During Non-Shortage Periods. The SFPUC's agreement in this Plan to a respective share of SFPUC system water during years of shortage shall not be construed to provide a basis for the allocation of water between the SFPUC and the Wholesale Customers when no water shortage emergency exists.

5.5. Termination. This Plan shall expire at the end of the Term of the Agreement.. The SFPUC and the Wholesale Customers can mutually agree to revise or terminate this Plan prior to that date due to changes in the water delivery capability of the SFPUC system, the acquisition of new water supplies, and other factors affecting the availability of water from the SFPUC system during times of shortage.

SECTION 6. ALLOCATION CALENDAR

6.1. Annual Schedule. The annual schedule for the shortage allocation process is shown below. This schedule may be changed by the SFPUC to facilitate implementation.

6.1.1

In All Years

1. SFPUC delivers list of annual purchases by each Wholesale Customer during the immediately preceding Supply Year
2. SFPUC meets with the Wholesale Customers and presents water supply forecast for the following Supply Year
3. SFPUC issues initial estimate of available water supply
4. SFPUC announces potential first year of drought (if applicable)
5. SFPUC and Wholesale Customers meet upon request to exchange information concerning water availability and projected system-wide purchases
6. SFPUC issues revised estimate of available water supply, and confirms continued potential shortage conditions, if applicable
7. SFPUC issues final estimate of available water supply

Target Dates

November 1

February

February 1

February 1

February 1-May 31

March 1

April 15th or sooner if adequate snow course measurement data is available to form a robust estimate on available water supply for the coming year.

April 15th or sooner if adequate snow course measurement data is available to form a robust estimate on available water supply for the coming year.

8. SFPUC determines amount of water available to Wholesale Customers collectively

In Drought Years

9. SFPUC formally declares the existence of water shortage emergency (or end of water shortage emergency, if applicable) under Water Code Sections 350 et. seq.
10. SFPUC declares the need for a voluntary or mandatory response
11. BAWSCA submits calculation to SFPUC of individual Wholesale Customers' percentage shares of water allocated to Wholesale Customers collectively
12. SFPUC determines individual shortage allocations, based on BAWSCA's submittal of individual agency percentage shares to SFPUC, and monthly water budgets (Default Schedule)
13. Wholesale Customers submit alternative monthly water budgets (optional)
14. Final drought shortage allocations are issued for the Supply Year beginning July 1 through June 30
15. Monthly water budgets become effective

Target Dates

April 15-~~34~~30

April 15-~~34~~30

April 15- ~~34~~30

April 25—May 10

May 8-May 24

June 1

July 1

16. Excess use charges indicated on monthly Suburban bills

August 1 (of the beginning year) through June 30 (of the succeeding year)

17. Excess use charges paid by Wholesale Customers for prior year August of the succeeding year

**Amendment 3:
2018 Decisions (Sec. 3.13, 4.01, 4.05,
4.06, 9.06, Attachment Q)**

3.13 Limits on New Customers

A. New Wholesale Customers Prior to December 31, 20182028. Until December 31, 20182028, San Francisco will not enter into contracts to supply water to any entity other than a Wholesale Customer (whether permanent or temporary, firm or interruptible) unless:

1. It completes any necessary environmental review under CEQA of the proposed new wholesale water service obligations as provided in Section 4.07;
2. It concurrently completes any necessary environmental review under CEQA as provided in Section 4.07 and commits to make both San Jose and Santa Clara permanent customers with Individual Supply Guarantees equal to at least 9 MGD; and
3. This Agreement is amended to incorporate any commitments to proposed new wholesale customers and to San Jose and Santa Clara, and to address the effects, if any, of the new customer(s) on water supply reliability, water quality and cost to existing customers of the Regional Water System.

B. New Wholesale Customers After December 31, 20182028. As of January 1, 20192029, San Francisco will not enter into contracts to supply water to any entity other than a Wholesale Customer (whether permanent or temporary, firm or interruptible) unless:

1. It completes any necessary environmental review under CEQA of the proposed new wholesale water service obligations as provided in Section 4.07;
2. It concurrently completes any necessary environmental review under CEQA as provided in Section 4.07 and commits to make both San Jose and Santa Clara permanent customers with Individual Supply Guarantees equal to at least 9 MGD;
3. Doing so increases the reliability of the Regional Water System; and
4. This Agreement is concurrently amended (a) to reflect that increased reliability by means of an increased commitment by San Francisco to deliver water during Droughts and (b) to address the effects, if any, of the new customer(s) on water supply, water quality and cost to existing customers of the Regional Water System.

C. New Retail Customers. San Francisco may enter into new retail water service obligations outside of the City and County of San Francisco:

1. Only in Alameda, San Mateo, Santa Clara, San Joaquin and Tuolumne Counties;
2. That are within or immediately adjacent to areas in which it currently serves other Retail Customers; and
3. Until the aggregate additional demand represented by the new retail customers reaches 0.5 MGD.

The limitations on serving new Retail Customers described in this subsection do not apply to historical obligations to supply water that may be contained in prior agreements between the SFPUC or its predecessor the Spring Valley Water Company, and individual users or property owners located adjacent to Regional Water System transmission pipelines.

D. Water Exchanges and Cost Sharing Agreements with Other Water Suppliers. Subject to completion of necessary environmental review under CEQA, San Francisco may at any time enter into water exchanges or cost sharing agreements with other water suppliers to enhance dry year or normal year water deliveries, provided that San Francisco cannot incur new water service obligations to such other water suppliers unless the requirements for taking on new wholesale customers in subsections A and B above are met.

4.01 Interim Supply Limitation Imposed by SFPUC

In adopting the WSIP in Res. No. 08-0200, the Commission included full implementation of all proposed WSIP capital improvement projects to achieve ~~level of service goals~~ Level of Service Goals and Objectives relating to public health, seismic safety, and delivery reliability, but decided to adopt a water supply element that includes the Interim Supply Limitation. This article describes how the parties will implement the Interim Supply Limitation imposed by the SFPUC between the Effective Date and December 31, 2018.—, and how the SFPUC will conduct water supply planning after December 31, 2018.

4.05 San Jose/ Santa Clara Interim Supply Allocation and Process for Reduction/ Termination.

San Francisco will supply a combined annual average of 9 MGD to the cities of San Jose and Santa Clara through ~~2018~~2028. Water supplied by San Francisco may only be used in the ~~existing~~-defined service areas ~~in the northern portions~~ of San Jose and Santa Clara shown on Attachment Q-1 and Q-2, respectively. San Francisco may reduce the quantity of water specified in this section when it establishes the Interim Supply Allocations for Wholesale Customers in Section 4.02. The establishment of Interim Supply Allocations for San Jose and Santa Clara shall not be considered a reduction of supply within the meaning of this section, provided that the Interim Supply Allocations assigned to San Jose and Santa Clara do not effect a reduction greater than the aggregate average reduction in Individual Supply Guarantees for Wholesale Customers that have such guarantees. The application of Interim Supply Allocations to San Jose and Santa Clara ~~is~~, and water supply planning after December 31, 2018, are subject to the following provisions:

A. In December 2010 and in each December thereafter through ~~2017~~2027, the SFPUC shall prepare and the Commission shall consider, at a regularly scheduled public meeting, a Water Supply Development Report detailing progress made toward (1) meeting the Interim Supply Limitation by June 30, 2018 and (2) developing additional water supplies that will allow the Commission to designate San Jose and Santa Clara as permanent Wholesale Customers of the Regional Water System with a combined Individual Supply Guarantee of up to 9 MGD by the end of the Term on June 30, 2034.

B. The annual Water Supply Development Report shall be based on water purchase projections and work plans ~~for achieving the Interim Supply Limitation in the Retail and Wholesale Service Areas. The projections and work plans will be~~ prepared by the SFPUC for the Retail Customers and by BAWSCA for the Wholesale Customers, respectively, and submitted to the Commission in June of each year beginning in 2010.

C. If the Commission finds that the projections in the Water Supply Development Report show that (1) the Interim Supply Limitation will not be met by June 30, 2018, as a result of Wholesale Customers' projected use exceeding 184 MGD, or (2) the purchases of the Wholesale Customers, including San Jose and Santa Clara, are projected to exceed 184 MGD

before June 30, 2028, the Commission may issue a conditional ~~five-ten~~ year notice of interruption or reduction in supply of water to San Jose and Santa Clara.

D. Upon issuance of the conditional notice of interruption or reduction, the SFPUC will prepare a new analysis of water supply that will be utilized by the San Francisco Planning Department in its preparation of any necessary documentation under CEQA pursuant to Section 4.07 on the impacts of interrupting or reducing service to San Jose and Santa Clara.

E. Such notice of interruption or reduction will be rescinded if the Commission finds, based upon a subsequent annual Water Supply Development Report, that (1) sufficient progress has been made toward meeting the Interim Supply Limitation, or (2) projections show that the ~~Interim Supply Limitation~~projected purchases of the Wholesale Customers, including San Jose and Santa Clara, will ~~be met~~not exceed 184 MGD by June 30, ~~2018~~2028.

F. In no case shall any interruption or reduction of service to San Jose or Santa Clara pursuant to this section become effective less than two years from the completion of the CEQA process (not including resolution of any appeals or litigation) or ~~five-ten~~ years from the notice, whichever is longer. If the ~~five-ten~~ year notice is issued after ~~2013~~2018, such interruption or reduction would ~~occur~~be effective after ~~2018~~2028.

G. If deliveries to San Jose and Santa Clara are interrupted, existing turnout facilities to San Jose and Santa Clara will remain in place for possible use during emergencies.

H. San Francisco and the cities of San Jose and Santa Clara will cooperate with BAWSCA and the Santa Clara Valley Water District in the identification and implementation of additional water sources and conservation measures for the cities' service areas that are relevant to the water supply and the possible offer of permanent status for the two cities by the SFPUC.

4.06 **San Francisco Decisions in ~~2018~~2028 Regarding Future Water Supply**

A. By December 31, ~~2018~~2028, San Francisco will have completed any necessary CEQA review pursuant to Section 4.07 that is relevant to making San Jose and Santa Clara permanent customers of the Regional Water System and will decide whether or not to make San Jose and Santa Clara permanent customers of the Regional Water System: with a combined Individual Supply Guarantee of 9 MGD allocated equally between the two cities, as well as how much water in excess of 9 MGD it will supply to San Jose and Santa Clara. San Francisco will make San Jose and Santa Clara permanent customers only if, and to the extent that, San Francisco determines that Regional Water System long term water supplies are available. In the event that San Francisco decides to afford permanent status to San Jose and Santa Clara, this Agreement will be amended pursuant to Section 2.03.

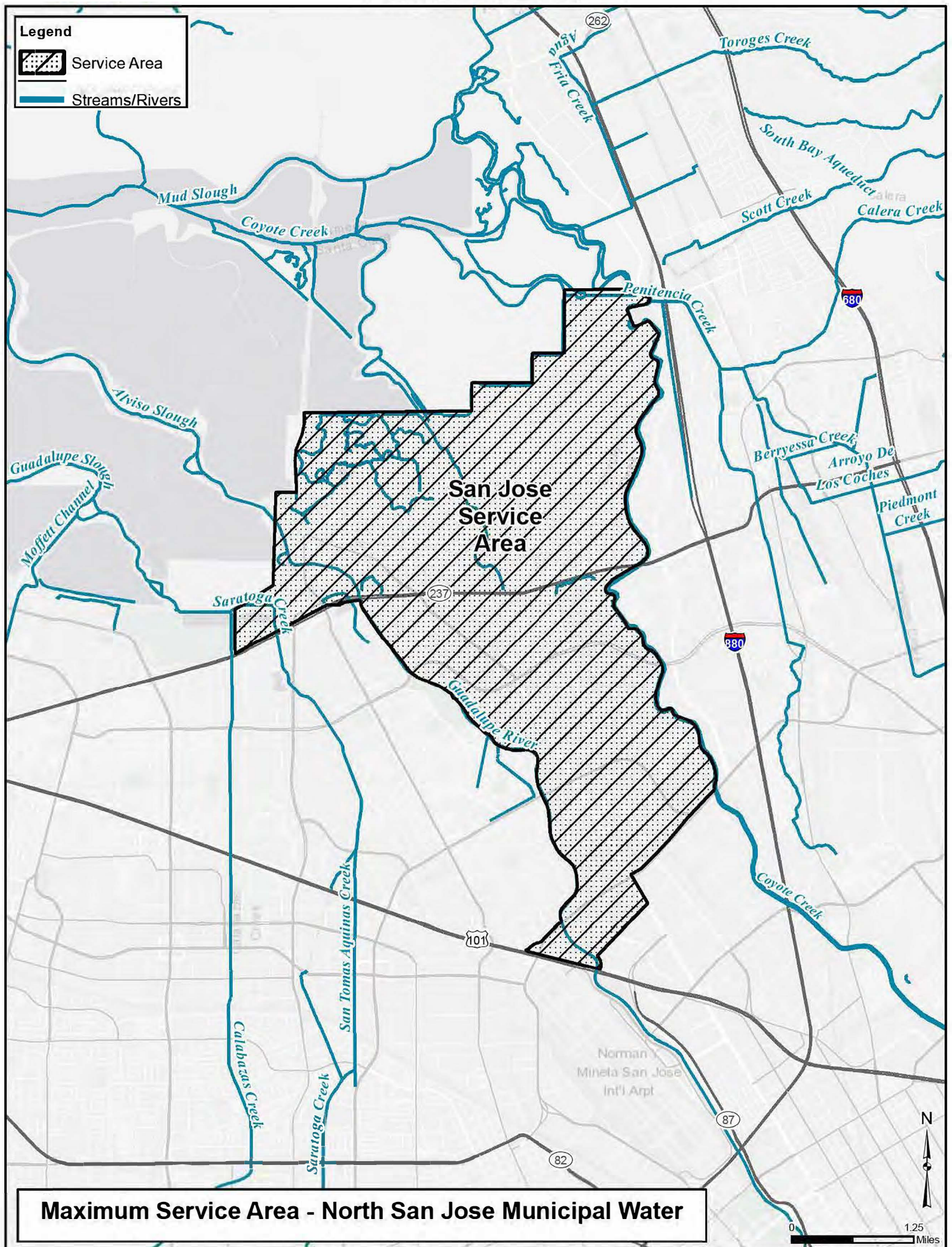
B. By December 31, ~~2018~~2028, San Francisco will have completed any necessary CEQA review pursuant to Section 4.07 and will decide how much water, if any, in excess of the Supply Assurance it will supply to Wholesale Customers from the Regional Water System to meet their projected future water demands until the year ~~2030~~2040, and whether to offer a corresponding increase in the Supply Assurance as a result of ~~its determination~~these determinations.

9.06 City of San Jose and City of Santa Clara

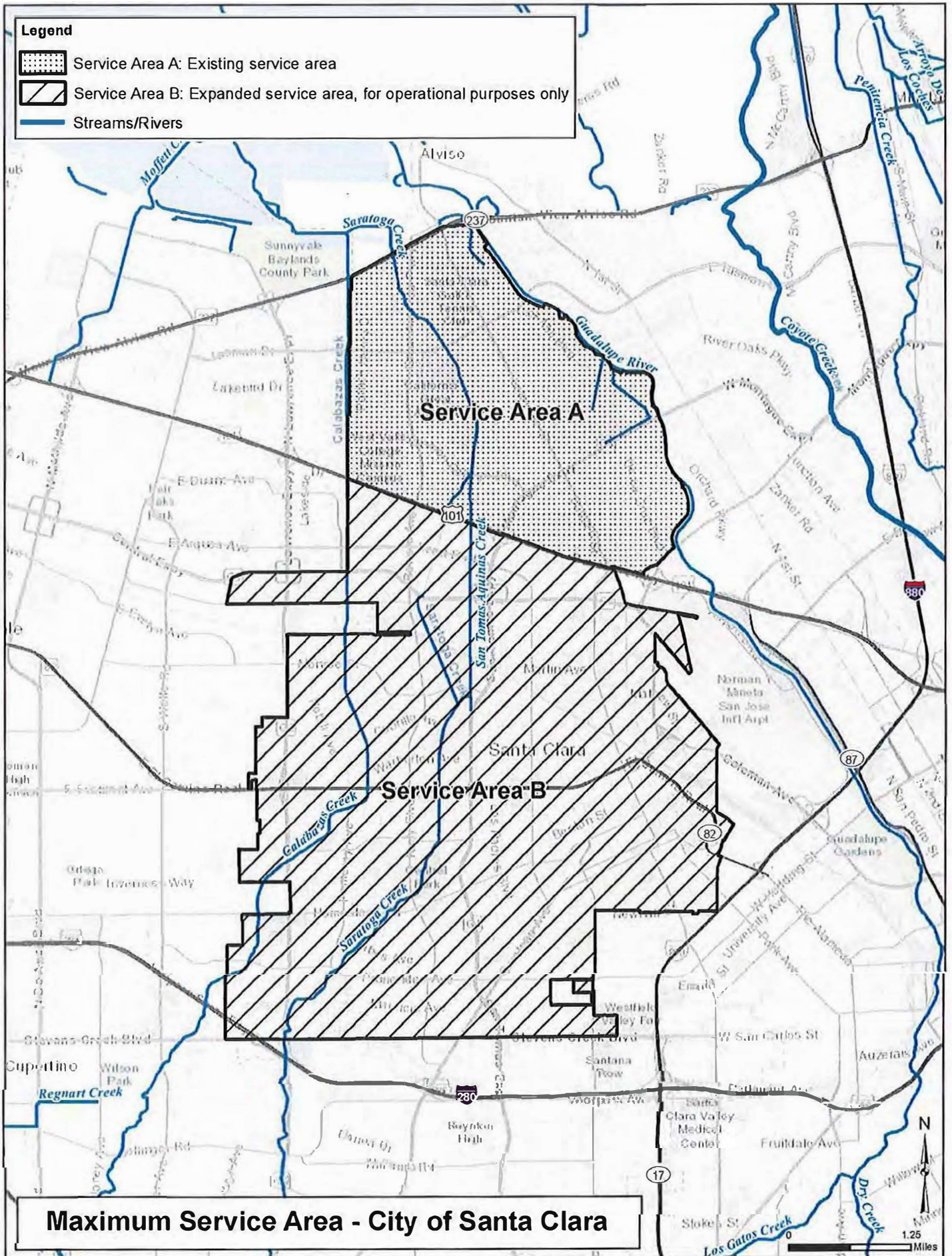
A. Continued Supply on Temporary, Interruptible Basis. During the term of the 1984 Agreement, San Francisco provided water to the City of San Jose ("San Jose") and the City of Santa Clara ("Santa Clara") on a temporary, interruptible basis pursuant to SFPUC Resolution No. 85-0256. Subject to termination or reduction of supply as provided in Section 4.05 of this Agreement, San Francisco will continue to supply water to San Jose and Santa Clara on a temporary, interruptible basis pending a decision by the Commission, pursuant to Section 4.05.H, as to whether to make San Jose and Santa Clara permanent customers of the Regional Water System. San Francisco will furnish water to San Jose and Santa Clara at the same rates as those applicable to other Wholesale Customers pursuant to this Agreement. Water delivered to San Jose and Santa Clara after July 1, 2009 may be limited by the SFPUC's ability to meet the full needs of all its other Retail and Wholesale Customers. The service areas of San Jose and Santa Clara set forth in their Individual Water Sales Contracts may not be expanded using the procedure set forth in Section 3.03. The combined annual average water usage of San Jose and Santa Clara shall not exceed 9 MGD. The allocation of that total amount between San Jose and Santa Clara shall be as set forth in their Individual Water Sales Contracts.

B. Reservation of Rights. In signing this Agreement, neither San Jose nor Santa Clara waives any of its rights to contend, in the event that San Francisco (1) elects to terminate or interrupt water deliveries to either or both of the two cities prior to ~~2018~~2028 using the process set forth in Section 4.05, or (2) does not elect to take either city on as a permanent customer in ~~2018~~2028, that it is entitled to permanent customer status, pursuant to the Act or any other federal or state law. Santa Clara's reservation of rights is limited to its existing Service Area A, as shown on Attachment Q-2. Service Area B, south of Highway 101, was added in 2018 solely for the operational convenience of Santa Clara. Santa Clara waives its right to make claims described in this Section 9.06.B and Section 8.07.B.3 with respect to Service Area B. In signing this Agreement, San Francisco does not waive its right to deny any or all such contentions.

Attachment Q-1



Attachment Q-2



Amendment 4:
Asset Classification (Sec. 5.11)

Section 5.11. Classification of Existing System Assets.

Existing System Assets of the Regional Water System include the water storage, transmission, and treatment systems owned and operated by San Francisco in Tuolumne, Stanislaus, San Joaquin, Alameda, Santa Clara, San Mateo and San Francisco Counties. These assets are managed by either the Water Enterprise or the Hetch Hetchy Enterprise and the assets have been classified for purposes of cost allocation.

A. Water Enterprise Assets.

Water Enterprise assets are currently managed, operated, and maintained by the Water Enterprise and are generally located west of Alameda East Portal, in addition to the treatment facilities located at Tesla and the Thomas Shaft Emergency Disinfection Facility. These assets are classified as Direct Retail, Direct Wholesale, or Regional.

B. Hetch Hetchy Enterprise Assets.

Hetch Hetchy Enterprise assets are currently managed, operated and maintained by the Hetch Hetchy Enterprise and are generally located east of the Alameda East Portal of the Coast Range Tunnel in Sunol Valley, Alameda County. These assets are classified as Power-Only, Water-Only, or Joint, in accordance with Sections 5.08 and 5.09. Through the Wholesale Revenue Requirement, the Wholesale Customers pay Existing System Asset capital costs and operating expenses in accordance with Section 5.02.F and do not pay capital costs or operating expenses associated with assets classified as Direct Retail, Power-Only, and the Power-Related portion of Joint assets.

C. Attachment R Documents Classifications.

To facilitate WSA administration, Attachment R documents the classification of major Existing System Assets operated by the Hetch Hetchy Enterprise. Attachment R consists of three documents: R-1 Introduction, R-2 Special Classification of Discrete Projects for 2018 Amendment Purposes, and R-3 Major Hetch Hetchy Enterprise Existing System Assets. Attachment R may be modified as specified in Section 5.11.D and in the manner set forth in Section 2.03.C.

D. Attachment R-3, Major Hetch Hetchy Enterprise Existing System Assets, is Not Exhaustive.

Existing System Assets include, but are not limited to, land; fixed infrastructure such as dams, tunnels, buildings, water treatment plants and pipelines; equipment such as pumps and vehicles; and related appurtenances. Major Hetch Hetchy Enterprise Existing System Assets, and their classifications, are listed in Attachment R-3. Attachment R-3 does not include all assets of the Regional Water System, but represents the parties' best efforts to document major Hetch Hetchy Enterprise Existing System Assets that would incur capital costs and operating expenses subject to cost allocation. The classification of assets listed on R-3 may not be

changed during the Term, any Extension Term, and any renewal of the Agreement, however, Attachment R-3 may be modified by mutual agreement in accordance with Section 2.03.C to (1) add an asset that was inadvertently omitted, (2) to add a new asset, and (3) remove a destroyed or obsolete asset. In the event that the parties cannot agree on the classification of any omitted or new assets, the dispute shall be subject to arbitration under Section 8.01.

E. Attachment R-3, Major Hetch Hetchy Enterprise Existing System Assets, Classifications are Fixed.

The classification of the major Hetch Hetchy Enterprise Existing System Assets is fixed and shall control the allocation of capital costs and operating expenses for the remainder of the Term, any Extension Terms, and any renewal of the Agreement. However, changes may be proposed in accordance with subsection G below. Capital costs and operating expenses are meant to be inclusive of all costs related to assets, including, but not limited to, any alterations, additions, improvements, rehabilitation, replacement of assets, and equipment that is appurtenant thereto. Since asset classifications are fixed in Attachment R-3, asset classifications may not be modified by mutual agreement in accordance with Section 2.03.C.

F. Attachment R-2, Special Classification of Discrete Projects for 2018 Amendment Purposes.

Past, ongoing and future capital projects involving five Hetch Hetchy Enterprise Existing System Assets defined in Attachment R-2 have classifications that differ from the underlying asset classifications. These project-related classification changes shown on Attachment R-2 are part of the 2018 amendments to the Agreement and are not precedential for any other asset-related capital cost or operating expense. With the exception of the defined projects related to the five assets listed on R-2, the capital projects for all assets follow the asset classifications. Capital projects listed on Attachment R-2 must be approved by the SFPUC following necessary CEQA review.

G. Five Year Notice of Intent to Renegotiate Cost Allocation.

In the event San Francisco or the Wholesale Customers, which may be represented by BAWSCA, wish to propose and negotiate a change in Existing System Asset classifications, or a change in the Water-Related portion (45 percent) of Joint expenses, for the next Water Supply Agreement, such party must provide the other at least 5 years' written notice prior to the expiration of the Term or Extension Term, or the renewal of the Agreement. At a minimum, the noticing party must provide a comprehensive analysis of the financial and rate impacts of the proposed change at least two years prior to the expiration of the Term or Extension Term, or the renewal of the Agreement.

To meet this requirement, the parties may agree to jointly analyze, under a separate agreement, system capacity and usage, and/or new assets, as well as other possible alternative cost allocation methodologies. Either party may also unilaterally initiate such studies by consultants of their choice and bear all their own costs.

ATTACHMENT R – CLASSIFICATION OF EXISTING SYSTEM ASSETS

ATTACHMENT R-1

INTRODUCTION TO ATTACHMENT R

Attachment R is composed of three documents (1) this **R-1 Introduction to Attachment R**, (2) **R-2 Special Classification of Discrete Projects for 2018 WSA Amendment Purposes**, and (3) **R-3 Major Hetch Hetchy Enterprise Existing System Assets**. These R series attachments provide a record for purposes of maintaining the historical basis for the allocation of capital costs and operating expenses associated with Existing System Assets generally, with greater detail provided for major Hetch Hetchy Enterprise Existing System Assets due to the complexity of tracking the Water-Only, Power-Only, and Joint classifications as inputs to the Wholesale Revenue Requirement under Sections 5.08 and 5.09 of the Agreement.

Attachment R-2, Special Classification of Discrete Projects for 2018 WSA Amendment Purposes defines a limited number of capital projects involving five Hetch Hetchy Enterprise Existing System Assets where the parties have agreed to classify defined capital project costs separately from the assets' underlying classification listed on Attachment R-3. The classification listed in Attachment R-3 will continue to control the allocation of capital costs and operating expenses once the defined capital projects described in Attachment R-2 are complete.

Attachment R-3, Major Hetch Hetchy Enterprise Existing System Assets is a record of major assets at the "facility group" level (see below) as of January 1, 2019. The table contains six columns and 578 rows. The facility groups are broken down into individual facilities or assets. The facility group name and classification are provided for each asset. Assets listed on Attachment R-3 are classified as Joint, Water-Only, or Power-Only. Each asset is also assigned a unique identification ("ID") number for ease of reference. Attachment R-3 is not a complete record of all Hetch Hetchy Enterprise Existing System Assets.

General Explanation of Classification.

A "facility group" is a location where a group of facilities is located. A single facility may constitute a facility group. A "facility" is a primary asset in a facility group whose function determines its classification and the classification of appurtenances or sub-assets. An appurtenance is an asset or sub-asset that supports the function of the facility to which it is appurtenant. In most cases the classification of the appurtenance is determined by the classification of the facility to which the appurtenance belongs. The function of the appurtenance may not necessarily control its classification.

The classification of appurtenant assets generally follows the classification of the facility group served. These appurtenant assets include security, offices/housing, and utilities serving the facility group such as domestic water, wastewater, communications and solid waste disposal. Power distribution assets that provide power to a facility group (e.g. lower voltage power distribution lines) generally carry the classification of the facility group served, but do not include power generation or higher voltage transmission lines for export of power elsewhere, which remain classified as Power-Only. With limited exceptions for roads exclusively accessing Power-Only facilities, roads and bridges are classified as Joint because most roads serve multiple facilities or Joint facilities. Equipment and rolling stock are generally classified as Joint unless the asset has a specialized purpose serving the Power function. Capital costs and operating expenses related to Camp Mather are charged to Power in order to segregate these costs from the Wholesale Revenue Requirement.

ATTACHMENT R-2

SPECIAL CLASSIFICATION OF DISCRETE PROJECTS FOR 2018 WSA AMENDMENT PURPOSES

Asset	Asset Classification	Project	Project Classification ¹
Lower Cherry Aqueduct	Joint	Lower Cherry Aqueduct Project	Water ²
Mountain Tunnel	Joint	Mountain Tunnel Interim Work	Water ³
Mountain Tunnel	Joint	Mountain Tunnel Long Term Repairs	Water ³
Mountain Tunnel	Joint	Mountain Tunnel Flow Control Facility (FCF) Project	Joint ⁵
Kirkwood Penstock	Power	Kirkwood Penstock Project	Joint ⁴
Moccasin Powerhouse Penstock	Power	Moccasin Penstock Project	Joint ⁴
Moccasin Lower Dam	Water	Moccasin Dam Interim Repairs	Joint ⁵
Moccasin Lower Dam	Water	Moccasin Dam Long-Term Improvements	Joint ⁵

These Project Classifications are Exceptions to the Fixed Asset Classifications in Attachment R-3

Attachment R-3 lists major Hetch Hetchy Enterprise Existing System Assets and their agreed-upon classifications (Power, Joint or Water). The classification for all Existing System Assets is fixed and applies to all related expenditures, including capital, regulatory, operating and maintenance expenses, and whether the expenditure alters, rebuilds or replaces the asset, and any appurtenances.

¹ Expires June 30, 2034

² Project capital costs may include costs incurred in FY 2013-14 and subsequent Fiscal Years until project is complete

³ Project capital costs may include costs incurred in FY 2011-12 and subsequent Fiscal Years until project is complete

⁴ Project capital costs may include costs incurred in FY 2009-10 and subsequent Fiscal Years until project is complete

⁵ Project capital costs may include costs incurred in FY 2017-18 and subsequent Fiscal Years until project is complete

In 2018, the parties agreed to classify certain capital projects (but not the underlying asset classifications shown on Attachment R-3) for a select number of Hetch Hetchy Enterprise Existing System Assets. These projects are defined below. These project-related classification changes, shown on this Attachment R-2, are part of the 2018 amendments to the Agreement and are not precedential for any other asset-related capital cost or operating expense.

The capital costs for the projects defined below shall be allocated in accordance with the project classifications shown on this Attachment R-2 so long as the projects are approved by the SFPUC following necessary CEQA review. Once the project, as defined below, is complete and the Commission adopts a project administrative closeout resolution authorizing final payment to the contractor(s), the separate project classification expires and all subsequent capital costs and operating expenses related to the asset will follow the existing asset classification shown on Attachment R-3. The project classification exceptions will expire on June 30, 2034 and all future capital and operating costs and expenses will follow the asset classification, even if a project has not been completed by the SFPUC by that date.

Unless specified otherwise, the capital costs for each project specified below includes costs incurred by the SFPUC for the construction of the project using debt or revenue funding, along with all project-related planning costs, engineering costs, engineering services, costs to obtain project-related regulatory permits, fees for environmental consultants, mitigation costs, legal fees, and other costs that are required to construct and place the project in operation as a water conveyance or power generation facility, or to serve both functions. The allocation of project capital costs includes expenditures incurred in fiscal years prior to FY 2018-19 where noted.

Project Classification Descriptions⁶

1. **Lower Cherry Aqueduct Project** means repairs along the Lower Cherry Aqueduct system from and including the Cherry Creek Diversion Dam downstream to and including a connection to the pool behind Early Intake Dam, including expenditures incurred in FY 2013-14 and subsequent fiscal years until the project is complete.
2. **Mountain Tunnel Interim Work** means the investigations, interim repairs to the tunnel as well as improvements to access roads and adits for Adit 5/6 and Adit 8/9 already funded or included in the FY 2017-18 ten-year CIP, including expenditures incurred in FY 2011-12 and subsequent fiscal years until the project is complete.
3. **Mountain Tunnel Long Term Repairs** means repair or replacement of tunnel lining not performed as part of the Mountain Tunnel Interim Work, contact grouting of the entire tunnel lining, completion of hydraulic improvements, installation of steel lining in sections of the tunnel to accommodate increased pressure, extension of the siphon crossing under the South Fork of the Tuolumne River, an enlarged concrete portal and bulkhead at Early Intake, and roadway access improvements to tunnel entry points at the South Fork Tuolumne River crossing, Adit 8-9 and Adit 5-6. Project capital costs include costs incurred in FY 2011-12 and subsequent fiscal years until the project is complete.

⁶ SFPUC and BAWSCA discussed and agreed to omit the following projects from this special project classification: 1) Early Intake Diversion Dam and Reservoir, 2) Moccasin Power Tunnel, and 3) Kirkwood Generator Bypass and Moccasin Generator #1 & 2 Bypasses. All capital costs and operating expenses related to these assets will follow the existing asset classification shown on Attachment R-3.

4. **Mountain Tunnel Flow Control Facility (FCF) Project** means construction of a FCF at the downstream end of Mountain Tunnel to reduce lining damage by eliminating the daily cycling between open channel and pressurized flow conditions inside the tunnel, and to allow access to the tunnel when the elevation of the water surface in Priest Reservoir is higher than the elevation of Priest Portal. The project consists of constructing a bypass tunnel, a FCF access shaft and related appurtenances, installing flow control valves and associated mechanical, electrical, and instrumentation as well as construction of a new Mountain Tunnel adit at Priest Reservoir, and a new access road to the FCF. The bypass will be fully steel lined to accommodate higher operating pressures, and a concrete plug will be constructed at the upstream end where water is diverted into the FCF. Project capital costs include costs incurred in FY 2017-18 and subsequent fiscal years until the project is complete.
5. **Kirkwood Penstock Project** means repair, rehabilitation or replacement of the penstock between the Canyon Portal Valve House and the outside of the northern wall of the Kirkwood Powerhouse. The Joint classification for this project would exclude valves, electronic controls and other appurtenances needed for power operations but not for delivery of water to the Bay Area. Project capital costs include costs incurred in FY 2009-10 and subsequent fiscal years until the project is complete.
6. **Moccasin Dam Interim Repairs** means repairs and improvements related to damage caused by the March 22, 2018 storm with the goal of returning the reservoir to service at a restricted water pool elevation. The interim measures include repairs and improvements to the Moccasin Creek Diversion Dam and Bypass, Moccasin Reservoir, access and automation improvements at Gate No. 3 Tower, the Lower Moccasin Dam Auxiliary Spillway, and the downstream channel of Moccasin Creek. Project capital costs include costs incurred in FY 2017-18 and subsequent fiscal years until the project is complete.
7. **Moccasin Dam Long-Term Improvements** means upgrading the Moccasin Reservoir facilities to meet long-term operational and dam safety needs, including the Lower Moccasin Dam, Moccasin Creek Diversion Dam, spillways, outlet works, and other appurtenant facilities, excluding the Moccasin Low Head Hydropower Plant and appurtenances. The work consists of repairs and upgrades to restore the capability to accommodate changes in flow associated with water delivery and power generation, provide hydraulic control for delivery of water to the Bay Area, permit the discharge of excess water downstream to Don Pedro Reservoir, and satisfy State regulatory requirements and guidelines. The Joint classification for this project would include all work, regardless of whether or not specific elements are required by the State of California. Project capital costs include costs incurred in FY 2017-18 and subsequent fiscal years until project is complete.
8. **Moccasin Penstock Project** means the repair, rehabilitation or replacement of the Moccasin Penstocks to ensure reliable water delivery to the Bay Area and support power generation at Moccasin Powerhouse. Project facilities would extend from the western end of the Moccasin Power Tunnel to the eastern wall of the Moccasin Powerhouse. The Joint classification for this project would exclude valves, electronic controls and other appurtenances needed for power operations but not for delivery of water to the Bay Area. Project capital costs include costs incurred in FY 2009-10 and subsequent fiscal years until the project is complete.

Maximo Record Number	Maximo ID Location	SFPUC Facility Group	Facility	Classification	Maximo Record Number
1	CPSCADA	Canyon Tunnel	CANYON PORTAL SCADA RTU (FUT.)	Joint	1
2	OSHCANTNL	Canyon Tunnel	OSHAUGHNESSY CANYON POWER TUNNEL	Joint	2
3	CV	Cherry and Eleanor Dams/Compounds	CHERRY VALLEY DAMS AND BUILDINGS	Joint	3
4	CVBLDGS	Cherry and Eleanor Dams/Compounds	CHERRY VALLEY BUILDINGS	Joint	4
5	CVFUEL	Cherry and Eleanor Dams/Compounds	CHERRY VALLEY FUELING STATION	Joint	5
6	CVPS	Cherry and Eleanor Dams/Compounds	CHERRY VALLEY PUMP STATION	Power	6
7	ELBAT	Cherry and Eleanor Dams/Compounds	ELEANOR BATTERY BANK	Joint	7
8	ELCOT	Cherry and Eleanor Dams/Compounds	COTTAGE, LAKE ELEANOR	Joint	8
9	ELDORM	Cherry and Eleanor Dams/Compounds	DORM, COOKHOUSE, GARAGE LAKE ELEANOR	Joint	9
10	ELDWSCT	Cherry and Eleanor Dams/Compounds	LAKE ELEANOR WATER TANK	Joint	10
11	ELEANOR	Cherry and Eleanor Dams/Compounds	LAKE ELEANOR EQUIPMENT	Joint	11
12	ELWHSE	Cherry and Eleanor Dams/Compounds	WAREHOUSE, LAKE ELEANOR	Joint	12
13	CVPSPRORLY	Cherry and Eleanor Dams/Compounds	CHERRY VALLEY PUMP STATION PROTECTIVE RELAYS	Power	13
14	CVDM	Cherry and Eleanor Dams/Compounds	CHERRY VALLEY DAM	Joint	14
15	CVDWS	Cherry and Eleanor Dams/Compounds	CHERRY VALLEY DOMESTIC WATER SYSTEM	Joint	15
16	CVVH	Cherry and Eleanor Dams/Compounds	CHERRY VALLEY VALVE HOUSE	Joint	16
17	ELNCHRTNL	Cherry and Eleanor Dams/Compounds	ELEANOR - CHERRY TUNNEL	Joint	17
18	ELNRDM	Cherry and Eleanor Dams/Compounds	ELEANOR DAM	Joint	18
19	ICP	Early Intake Dam and Reservoir	INTAKE CAMP EQUIPMENT AND GROUNDS	Joint	19
20	ICPCT	Early Intake Dam and Reservoir	INTAKE CAMP COTTAGES	Joint	20
21	ICPFUEL	Early Intake Dam and Reservoir	INTAKE CAMP FUELING SYSTEM	Joint	21
22	ICPLINERIGSH	Early Intake Dam and Reservoir	INTAKE CAMP LINEMENS RIGGING SHED BUILDING	NA	22
23	ICPMAIL	This row not included by SFPUC	INTAKE MAIL SHACK	NA	23
24	ICPSAND	Early Intake Dam and Reservoir	INTAKE CAMP SAND STORAGE BUILDING	Joint	24
25	ICPSEW	Early Intake Dam and Reservoir	INTAKE CAMP SEWAGE SYSTEM	Joint	25
26	ICPTV	Early Intake Dam and Reservoir	INTAKE CAMP TV SYSTEM	Joint	26
27	ICPWSTN	Early Intake Dam and Reservoir	INTAKE WEATHER STATION	Joint	27
28	IWSSCADA	Early Intake Dam and Reservoir	INTAKE DOMESTIC WATER SYS RTU	Joint	28
29	ICPEL	Early Intake Dam and Reservoir	INTAKE CAMP ELECTRICAL SYSTEM	Joint	29
30	ICPDWSBFP	Early Intake Dam and Reservoir	INTAKE DOMESTIC WATER BACK FLOW PREVENTERS, ICP	Joint	30
31	ICPPPOOL	Early Intake Dam and Reservoir	INTAKE CAMP SWIMMING POOL	Joint	31
32	ICPWTS	Early Intake Dam and Reservoir	INTAKE CAMP WATER SYSTEM	Joint	32
33	ICPDM	Early Intake Dam and Reservoir	INTAKE CAMP DAM	Joint	33
34	INTRES	Early Intake Dam and Reservoir	INTAKE RESERVOIR	Joint	34
35	GPL	Holm Powerhouse	22.9KV-GRANITE PORTAL LINE	Power	35
36	H1	Holm Powerhouse	HOLM UNIT #1	Power	36
37	H1PRORLY	Holm Powerhouse	HPH UNIT #1 PROTECTIVE RELAYS	Power	37
38	H2	Holm Powerhouse	HOLM UNIT #2	Power	38
39	H2PRORLY	Holm Powerhouse	HPH UNIT #2 PROTECTIVE RELAYS	Power	39
40	HAX	Holm Powerhouse	HPH EXCITERS, GOVERNORS, TAIL RACE AND OTHER	Power	40
41	HL2TTGE	Holm Powerhouse	HPH LINE #2 TRANSFER TRIP GE	Power	41
42	HPH	Holm Powerhouse	HOLM POWERHOUSE	Power	42
43	HPHBATTERY	Holm Powerhouse	HPH BATTERY SYSTEM	Power	43
44	HPHPEN	Holm Powerhouse	HOLM POWERHOUSE PENSTOCK	Power	44
45	HPHPRORLYTMP	Holm Powerhouse	TEMP HOLING SPOT FOR PRO RLYS	Power	45
46	HPHRF#1	Holm Powerhouse	HOLM POWERHOUSE ROOF FAN #1	Power	46
47	HPHRF#2	Holm Powerhouse	HOLM POWERHOUSE ROOF FAN #2	Power	47
48	HPHWW	Holm Powerhouse	HPH TSOV, SLIDE GATES AT TAILRACE, ETC	Power	48
49	HPRORLY	Holm Powerhouse	HPH PROTECTIVE RELAYS	Power	49
50	HSPARES	Holm Powerhouse	ALL HOLM POWERHOUSE SPARES	Power	50
51	HVH	Holm Powerhouse	HOLM VALVE HOUSE	Power	51

Maximo Record Number	Maximo ID Location	SFPUC Facility Group	Facility	Classification	Maximo Record Number
52	CVPWRTNL	Holm Powerhouse	CHERRY POWER TUNNEL	Power	52
53	GPSCADA	Holm Powerhouse	GRANITE PORTAL SCADA RTU (FUT.)	Power	53
54	H1ASCADA	Holm Powerhouse	HPH UNIT 1 ANNUNCIATOR RTU	Power	54
55	H2ASCADA	Holm Powerhouse	HPH UNIT 2 ANNUNCIATOR RTU	Power	55
56	HPHSCADA	Holm Powerhouse	HOLM POWERHOUSE SCADA RTU	Power	56
57	HPHVMS	Holm Powerhouse	HPH VIBRATION MONITORING SYSTEM	Power	57
58	KPH2SCADA	Kirkwood Powerhouse	KPH PENSTOCK MONITORING SYS RTU	Power	58
59	KPH	Kirkwood Powerhouse	KIRKWOOD POWERHOUSE	Power	59
60	KPHB	Kirkwood Powerhouse	KPH BATHROOM	Power	60
61	KPHOFFICE	Kirkwood Powerhouse	KPH OPERATOR OFFICE	Power	61
62	KVH	Kirkwood Powerhouse	KIRKWOOD VALVE HOUSE	Joint	62
63	K1	Kirkwood Powerhouse	KIRKWOOD UNIT #1	Power	63
64	K1PRORLY	Kirkwood Powerhouse	KPH UNIT #1 PROTECTIVE RELAYS	Power	64
65	K2	Kirkwood Powerhouse	KIRKWOOD UNIT #2	Power	65
66	K2PRORLY	Kirkwood Powerhouse	KPH UNIT #2 PROTECTIVE RELAYS	Power	66
67	K3	Kirkwood Powerhouse	KIRKWOOD UNIT #3	Power	67
68	K3PRORLY	Kirkwood Powerhouse	KPH UNIT #3 PROTECTIVE RELAYS	Power	68
69	KAX	Kirkwood Powerhouse	KPH EXCITERS, GOVERNORS, TAIL RACE AND OTHER	Power	69
70	KAXBKR5211	Kirkwood Powerhouse	KPH BREAKER LOCATION 52-11 MATHER / ICP LINE	Power	70
71	KAXBKR5212	Kirkwood Powerhouse	KPH BREAKER LOCATION 52-12 CANYON PORTAL LINE	Power	71
72	KAXBKR5221	Kirkwood Powerhouse	KPH BREAKER LOCATION 52-21 MATHER / ICP LINE	Power	72
73	KAXBKR5222	Kirkwood Powerhouse	KPH BREAKER LOCATION 52-22 MATHER 22KV LINE	Power	73
74	KAXBKR52S1	Kirkwood Powerhouse	KPH1 BREAKER LOCATION 52-S1 STATION SERVICE	Power	74
75	KAXBKR52S2	Kirkwood Powerhouse	KPH2 BREAKER LOCATION 52-S2 STATION SERVICE	Power	75
76	KAXBKR52S3	Kirkwood Powerhouse	KPH3 BREAKER LOCATION 52-S3 STATION SERVICE	Power	76
77	KAXBKRBT	Kirkwood Powerhouse	KPH BREAKER LOCATION 52-BUS TIE	Power	77
78	KAXBKRBT23	Kirkwood Powerhouse	KPH BREAKER LOCATION 23-BUS TIE	Power	78
79	KAXBKRBT32	Kirkwood Powerhouse	KPH BREAKER LOCATION 32-BUS TIE	Power	79
80	KAXBKRSS1	Kirkwood Powerhouse	KPH1 BREAKER LOCATION 52-SS1 STATION SERVICE	Power	80
81	KAXBKRSS2	Kirkwood Powerhouse	KPH2 BREAKER LOCATION 52-SS2 STATION SERVICE	Power	81
82	KAXBKRSS3	Kirkwood Powerhouse	KPH3 BREAKER LOCATION 52-SS3 STATION SERVICE	Power	82
83	KAXBREAKERS	Kirkwood Powerhouse	KIRKWOOD POWERHOUSE BREAKERS	Power	83
84	KPHBATTERY	Kirkwood Powerhouse	KPH BATTERY SYSTEM	Power	84
85	KPHDCV	Kirkwood Powerhouse	KPH DELUGE CONTROL VALVE	Power	85
86	KPHGENBRK	Kirkwood Powerhouse	KPH SPARE GENERATOR BREAKER	Power	86
87	KPHOILFLT	Kirkwood Powerhouse	KPH PORTABLE XFMR OIL FILTER	Power	87
88	KPHPEN	Kirkwood Powerhouse	KIRKWOOD POWERHOUSE PENSTOCK	Power	88
89	KPHRF	Kirkwood Powerhouse	KPH RECIRCULATING FAN	Power	89
90	KPRORLY	Kirkwood Powerhouse	KPH PROTECTIVE RELAYS	Power	90
91	KSPARES	Kirkwood Powerhouse	ALL KIRKWOOD POWERHOUSE SPARES	Power	91
92	KPHAXWPV	Kirkwood Powerhouse	KPH AUX WHEEL PIT VENT	Power	92
93	KPHBYP SYS	Kirkwood Powerhouse	KPH GENERATOR BYPASS	Power	93
94	KPHWW	Kirkwood Powerhouse	KPH TSOV, SLIDE GATES AT TAILRACE, ETC	Power	94
95	K1ASCADA	Kirkwood Powerhouse	KPH UNIT 1 ANNUNCIATOR RTU	Power	95
96	K2ASCADA	Kirkwood Powerhouse	KPH UNIT 2 ANNUNCIATOR RTU	Power	96
97	KPH1SCADA	Kirkwood Powerhouse	KPH SCADA RTU	Power	97
98	VIBMONSYS	Kirkwood Powerhouse	ALL VIBRATION MONITORING SYSTEMS & EQUIPMENT	Power	98
99	KPHVMS	Kirkwood Powerhouse	KPH VIBRATION MONITORING SYSTEM	Power	99
100	KPHTRBMTR	Kirkwood Powerhouse	KPH TURBIDIMETER	Water	100
102	RAKERLANDS	Support Systems, Utilities and Other	RAKER ACT LANDS & US LAND APPLICATIONS	Joint	102
103	SJLANDS	Support Systems, Utilities and Other	SAN JOAQUIN COUNTY LANDS	Joint	103

Maximo Record Number	Maximo ID Location	SFPUC Facility Group	Facility	Classification	Maximo Record Number
104	STANISLANDS	Support Systems, Utilities and Other	STANISLAUS COUNTY LANDS	Joint	104
105	TUOLUMNELAN	Support Systems, Utilities and Other	TUOLUMNE & MARIPOSA COUNTY LANDS	Joint	105
106	CC	Lower Cherry Creek Aqueduct	CHERRY CREEK EQUIPMENT AND BUILDING	Joint	106
107	CCAQ	Lower Cherry Creek Aqueduct	CHERRY CREEK AQUEDUCT	Joint	107
108	CCDDM	Lower Cherry Creek Aqueduct	CHERRY CREEK DIVERSION DAM	Joint	108
109	CHDIVTUN	Lower Cherry Creek Aqueduct	CHERRY DIVERSION TUNNEL	Joint	109
110	CVDIVCANAL	Lower Cherry Creek Aqueduct	CHERRY TO INTAKE DIVERSION CANAL	Joint	110
118	MLSSCADA	Moccasin Administrative Compound	MOCCASIN LIFT STATION RTU	Joint	118
119	MPHWS	Moccasin Administrative Compound	MOCCASIN WEATHER STATION	Joint	119
120	MWSSCADA	Moccasin Administrative Compound	MOCCASIN DOMESTIC WATER SYS RTU	Joint	120
121	EQP-HH	Moccasin Administrative Compound	NON-AUTOMOTIVE EQUIPMENT	Joint	121
122	ETESTEQUIP	Moccasin Administrative Compound	ELECTRONIC TEST EQUIPMENT	Joint	122
126	MCPARC	Moccasin Administrative Compound	MOCCASIN ARCHIVES / RECORDS OFFICE	Joint	126
127	MCPBH	Moccasin Administrative Compound	MOCCASIN BUNKHOUSE	Joint	127
128	MCPBLPRK	Moccasin Administrative Compound	MOCCASIN CAMP BALL PARK	Joint	128
129	MCPCARP	Moccasin Administrative Compound	MOCCASIN CARPENTER SHOP BUILDING	Joint	129
130	MCPCARPORT	Moccasin Administrative Compound	SHOP AREA CAR PORTS	Joint	130
131	MCPCH	Moccasin Administrative Compound	MOCCASIN CLUBHOUSE/ADMIN. BLDG.	Joint	131
132	MCPCM	Moccasin Administrative Compound	MOCCASIN CONSTRUCTION MANAGEMENT OFFICES, MOCCASIN	Joint	132
133	MCPCOT10	Moccasin Administrative Compound	COTTAGE 10	Joint	133
134	MCPCOT13	Moccasin Administrative Compound	CMB SURVEY ADMINISTRATIVE OFFICE	Joint	134
135	MCPCOT14	Moccasin Administrative Compound	ITS ADMINISTRATIVE OFFICE	Joint	135
136	MCPCOT15	Moccasin Administrative Compound	GUEST COTTAGE 15	Joint	136
137	MCPCOT16	Moccasin Administrative Compound	MOCCASIN FINANCE OFFICE	Joint	137
138	MCPCOT17	Moccasin Administrative Compound	TRAINING OFFICE	Joint	138
139	MCPCOT18	Moccasin Administrative Compound	EXERCISE BUILDING	Joint	139
140	MCPCOT36	Moccasin Administrative Compound	WATERSHED ADMINISTRATIVE OFFICE	Joint	140
141	MCPCOT41	Moccasin Administrative Compound	GUEST COTTAGE 41	Joint	141
142	MPCRDDBRD	Moccasin Administrative Compound	MCP CARDBOARD COMPACTOR	Joint	142
143	MCPCT	Moccasin Administrative Compound	MOCCASIN CAMP COTTAGES	Joint	143
144	MCPELEC	Moccasin Administrative Compound	MOCCASIN CAMP ELECTRIC SHOP	Joint	144
145	MCPENG	Moccasin Administrative Compound	MOCCASIN ENGINEERING OFFICE	Joint	145
146	MCPFIREGAR	Moccasin Administrative Compound	MOCCASIN FIRE TRUCK GARAGE	Joint	146
147	MCPFLDOFF	Moccasin Administrative Compound	MOCCASIN FIELD OFFICE BUILDING	Joint	147
148	MCPFUEL	Moccasin Administrative Compound	MOCCASIN CAMP FUELING STATION	Joint	148
149	MCPGARD	Moccasin Administrative Compound	MOCCASIN GARDENERS SHOP	Joint	149
150	MCPGREENHS	Moccasin Administrative Compound	MOCCASIN GREENHOUSE	Joint	150
151	MCPLINE	Moccasin Administrative Compound	MOCCASIN POWER LINE SHOP BUILDING	Power	151
152	MCPMACHSP	Moccasin Administrative Compound	MOCCASIN MACHINE AND AUTO SHOP BLDG	Joint	152
153	MCPMERC	Moccasin Administrative Compound	MOCCASIN EMERGENCY RESPONSE CENTER	Joint	153
154	MCPMNTFAC	Moccasin Administrative Compound	MOCCASIN MAINTENANCE FACILITY	Joint	154
156	MCPOMPH	Moccasin Administrative Compound	MOCC CAMP OLD MOCCASIN POWERHOUSE: Long term storage	Joint	156
157	MCPPAINTSP	Moccasin Administrative Compound	MOCCASIN CAMP PAINT SHOP	Joint	157
158	MCPPLAN	Moccasin Administrative Compound	PLANNING AND SCHEDULING BUILDING	Joint	158
159	MCPPLUMB	Moccasin Administrative Compound	MOCCASIN PLUMBERS SHOP	Joint	159
160	MCPPOOL	Moccasin Administrative Compound	MOCCASIN CAMP SWIMMING POOL	Joint	160
161	MCPRECFAL	Moccasin Administrative Compound	MOCCASIN RECREATIONAL FACILITY	Joint	161
162	MCPSAWMIL	Moccasin Administrative Compound	MOCCASIN SAWMILL FACILITY	Joint	162
163	MCPSCADATRLR	Moccasin Administrative Compound	MOCCASIN SCADA TRAILER, MOCCASIN	Joint	163
164	MCPSCHOOL	Moccasin Administrative Compound	MOCCASIN SCHOOL BUILDING	Joint	164
165	MCPSEWLIFT1	Moccasin Administrative Compound	MOCCASIN CAMP SEWAGE LIFT STATION 1	Joint	165

Maximo Record Number	Maximo ID Location	SFPUC Facility Group	Facility	Classification	Maximo Record Number
166	MCPSEWSYS	Moccasin Administrative Compound	MOCCASIN CAMP SEWAGE SYSTEM	Joint	166
167	MCPTECH	Moccasin Administrative Compound	MOCCASIN CAMP TECH SHOP	Joint	167
168	MCPTGSTMPFAC	Moccasin Administrative Compound	MOCCASIN TEMPORARY GUEST ACCOMMODATIONS	Joint	168
169	MCPTOOLRM	Moccasin Administrative Compound	MOCCASIN TOOL ROOM BUILDING	Joint	169
170	MCPUEB	Moccasin Administrative Compound	MOCCASIN Bldg 57	Joint	170
171	MCPWHSE	Moccasin Administrative Compound	MOCCASIN WAREHOUSE & SHOPS BLDG	Joint	171
173	MCPSL	Moccasin Administrative Compound	MOCCASIN CAMP STREET LIGHTS	Joint	173
174	MCPDWS	Moccasin Administrative Compound	MOCCASIN DOMESTIC WATER SYSTEM	Joint	174
175	MCPDWSBFP	Moccasin Administrative Compound	MOCCASIN DOMESTIC WATER SYSTEM BACK FLOW PREVENTER	Joint	175
176	ELECTDVCS	Moccasin Administrative Compound	SMALL ELECTRONIC DEVICES AND EQUIPMENT, MOCCASIN	Joint	176
177	MCPWQ2	Moccasin Administrative Compound	MCP WATER QUALITY BUILDING 2	Water	177
178	MCPWQLABS	Moccasin Administrative Compound	MCP WATER QUALITY LABS	Water	178
179	MPFLOSCADA	Moccasin Powerhouse	MPH PENSTOCK FLOW MTRING SCADA RTU	Power	179
180	MPH	Moccasin Powerhouse	MOCCASIN POWERHOUSE	Power	180
181	MPHAUXCMP	Moccasin Powerhouse	MPH AUX. AIR COMPRESSOR	Power	181
182	MPHCR	Moccasin Powerhouse	MPH MAIN CONTROL ROOM	Joint	182
183	MPHHWT	Moccasin Powerhouse	MOCCASIN POWERHOUSE HOT WATER TANK	Joint	183
184	MPHOILROOM	Moccasin Powerhouse	MPH OIL TREATMENT ROOM	Power	184
185	MPHSTOR	Moccasin Powerhouse	MOCCASIN PH STORAGE BUILDING	Power	185
186	M1	Moccasin Powerhouse	MOCCASIN UNIT #1	Power	186
187	M1PRORLY	Moccasin Powerhouse	MPH UNIT #1 PROTECTIVE RELAYS	Power	187
188	M2	Moccasin Powerhouse	MOCCASIN UNIT #2	Power	188
189	M2PRORLY	Moccasin Powerhouse	MPH UNIT #2 PROTECTIVE RELAYS	Power	189
190	MAX	Moccasin Powerhouse	MPH EXCITERS, GOVERNORS, TAIL RACE AND OTHER	Power	190
191	MAX52BT	Moccasin Powerhouse	52-BT BUS TIE CIRCUIT BREAKER LOCATION	Power	191
192	MAXBRK	Moccasin Powerhouse	MOCCASIN POWERHOUSE CIRCUIT BREAKERS	Power	192
193	MAXBRKSS1	Moccasin Powerhouse	52-SS1 STATION SERVICE CIRCUIT BREAKER LOCATION	Power	193
194	MAXBRKSS2	Moccasin Powerhouse	VILLAGE XFMR 52-SS2 STATION SERVICE LOCATION	Power	194
195	MBRK52S1	Moccasin Powerhouse	52-S1 CIRCUIT BREAKER LOCATION	Power	195
196	MBRK52S2	Moccasin Powerhouse	52-S2 CIRCUIT BREAKER LOCATION	Power	196
197	MPHBATTERY	Moccasin Powerhouse	MPH BATTERY SYSTEM	Power	197
198	MPHDELVAL	Moccasin Powerhouse	MPH DELUGE VALVE SYSTEM	Power	198
199	MPHMCB	Moccasin Powerhouse	MPH MAIN CONTROL BOARD	Power	199
200	MPHPEN	Moccasin Powerhouse	MOCCASIN POWERHOUSE PENSTOCK	Power	200
201	MPRORLY	Moccasin Powerhouse	MPH PROTECTIVE RELAYS	Power	201
202	MSPARES	Moccasin Powerhouse	ALL MPH SPARE EQUIPMENT	Power	202
203	MSY	Moccasin Powerhouse	MOCCASIN SWITCHYARD	Power	203
204	MSYLIGHTS	Moccasin Powerhouse	MSY MERCURY VAPOR LIGHTS	Power	204
205	PWRSCHEDE	Moccasin Powerhouse	MPH POWER SCHEDULING COMPUTERS	Power	205
206	MOCCPWTUS	Moccasin Powerhouse	MOCCASIN POWER TUNNEL SURGE SHAFT	Power	206
207	MPHBYPYS1	Moccasin Powerhouse	MPH GENERATOR BYPASS #1	Power	207
208	MPHBYPYS2	Moccasin Powerhouse	MPH GENERATOR BYPASS #2	Power	208
209	MPHWW	Moccasin Powerhouse	MPH TSOV, SLIDE GATES AT TAILRACE, ETC	Power	209
210	BNVMSCPU	Moccasin Powerhouse	BENTLY-NEVADA VIBRATION MONITORING SYS CENTRAL PRO	Power	210
211	MPHSCADA	Moccasin Powerhouse	MOCCASIN POWERHOUSE SCADA RTU	Power	211
212	PMBSCADA	Moccasin Powerhouse	PG&E MAIL BOX SCADA RTU	Power	212
213	MLHSCADA	Moccasin Administrative Compound	MOCCASIN LOW-HEAD PWR STA SCADA RTU	Power	213
214	MLHVMS	Moccasin Administrative Compound	MOCC. LOWHEAD VIBRATION MONITORING SYSTEM	Power	214
215	MPHVMS	Moccasin Administrative Compound	MPH VIBRATION MONITORING SYSTEM	Power	215
216	MLH	Moccasin Administrative Compound	MOCCASIN LOW HEAD POWER PLANT	Power	216
217	MLHPEN	Moccasin Administrative Compound	MOCCASIN LOWHEAD PENSTOCK	Power	217

Maximo Record Number	Maximo ID Location	SFPUC Facility Group	Facility	Classification	Maximo Record Number
218	M3	Moccasin Administrative Compound	MOCCASIN LOWHEAD UNIT	Power	218
219	MLHBATTERY	Moccasin Administrative Compound	MOCCASIN LOW-HEAD BATTERY SYS	Power	219
220	MLHMCB	Moccasin Administrative Compound	MOCC LOWHEAD MAIN CONTROL BOARD	Power	220
221	MLHPRORLY	Moccasin Administrative Compound	MLH PROTECTIVE RELAYS	Power	221
222	MLHTS	Moccasin Administrative Compound	MOCCASIN LOW HEAD TELEPHONE SYSTEM	Power	222
223	MPHRESBYP	Moccasin Administrative Compound	MOCCASIN RESERVOIR BYPASS	Water	223
224	MLHPRGCTRL	Moccasin Administrative Compound	MLH PROGRAMABLE CONTROLLER	Power	224
225	MCPFHDWM	Moccasin Administrative Compound	DOMESTIC WATER METERS / HATCHERY	Joint	225
226	MCPBR	Moccasin Administrative Compound	MCP TIMBER BRIDGE / TRASH RACK	Water	226
227	MCPCANAL	Moccasin Administrative Compound	MOCCASIN CANAL	Water	227
228	MCPRES	Moccasin Administrative Compound	MOCCASIN CAMP RESERVOIR	Water	228
229	MOCCLDM	Moccasin Administrative Compound	MOCCASIN LOWER DAM, MOCCASIN	Water	229
230	MOCCUDM	Moccasin Administrative Compound	MOCCASIN CREEK UPPER DIVERSION DAM , MOCCASIN	Water	230
231	MG3SCADA	Moccasin Administrative Compound	MOCCASIN GATE NO. 3 RTU	NA	231
232	FTHTNLJACPU	Moccasin Administrative Compound	MOCCASIN RESERVOIR TURBIDITY SUPPLY JACK PUMP SITE	Water	232
233	KBP	Mountain Tunnel	KIRKWOOD/INTAKE BYPASS SYSTEM	Joint	233
234	MTNTNLDIV	Mountain Tunnel	MOUNTAIN TUNNEL AND ADITS	Joint	234
235	SF	Mountain Tunnel	SOUTH FORK EQUIPMENT & BUILDINGS	Joint	235
236	SFFUEL	Mountain Tunnel	SOUTH FORK FUELING STATION	Joint	236
237	SFOFF	Mountain Tunnel	SOUTH FORK OFFICE BUILDING	Joint	237
238	MT1-2AD	Mountain Tunnel	MTN TNL DIV 1-2 TUNNEL ACCESS	Joint	238
239	MT3-4AD	Mountain Tunnel	MTN TNL DIV 3-4 TUNNEL ACCESS	Joint	239
240	MT5-6AD	Mountain Tunnel	MTN TNL DIV 5-6 TUNNEL ACCESS	Joint	240
241	MT8-9AD	Mountain Tunnel	MTN TNL DIV 8-9 TUNNEL ACCESS	Joint	241
242	MTBIGCRSH	Mountain Tunnel	MTN TNL DIV BIG CREEK SHAFT,	Joint	242
243	MTDSFC	Mountain Tunnel	SOUTH FORK CROSSING	Joint	243
244	MTEIAD	Mountain Tunnel	MTN TNL DIV ACCESS AT EARLY INTAKE	Joint	244
TBD		Mountain Tunnel	Flow Control Facility	Joint	TBD
245	MTPROUT	Mountain Tunnel	Mountain Tunnel Priest Outlet	Joint	245
246	MTSECGROT	Mountain Tunnel	MTN TNL DIV SECOND GARROTE SHAFT,	Joint	246
247	SFDWS	Mountain Tunnel	SOUTH FORK DOMESTIC WATER SYSTEM	Joint	247
248	OSHSCADA	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY DAM RTU	Joint	248
249	OSHS	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY STREAM GAUGE	Joint	249
250	OSHWSTN	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY WEATHER STATION	Joint	250
251	OSH	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY DAM AND AREA BLDGS.	Joint	251
252	OSHCT	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY COTTAGES	Joint	252
253	OSHEL	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY CAMP ELECTRICAL	Joint	253
254	OSHEQP	O'Shaughnessy Dam and Reservoir/Compou	ALL OSHAUGHNESSY EQUIPMENT	Joint	254
255	OSHDIVTNL	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY DIVERSION TUNNEL	Joint	255
256	OSHDM	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY DAM	Joint	256
257	OSHDMWELLAU	O'Shaughnessy Dam and Reservoir/Compou	OSH DOMESTIC WELL AUXILIARY BUILDING	Joint	257
258	OSHDWS	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY DAM DOMESTIC WTR SYS	Joint	258
259	OSHDWSBFP	O'Shaughnessy Dam and Reservoir/Compou	OSH DOMESTIC WATER BACK FLOW PREVENTERS, OSH	Joint	259
260	OSHDWW	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY DOMESTIC WATER WELL SYSTEM, OSH	Joint	260
261	OSHFUEL	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY FUELING STATION	Joint	261
262	OSHG1	O'Shaughnessy Dam and Reservoir/Compou	OSH DAM GALLERY #1	Joint	262
263	OSHG2	O'Shaughnessy Dam and Reservoir/Compou	OSH DAM GALLERY #2	Joint	263
264	OSHGARS	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY GARAGE #5	Joint	264
265	OSHGARS7	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY GARAGE #7	Joint	265
266	OSHRCKSCRN	O'Shaughnessy Dam and Reservoir/Compou	ROCK SCREENING PLANT	NA	266
267	OSHSEWSYS	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY SEWAGE SYSTEM	Joint	267

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268	OSHSTORE3	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY STORE HOUSE 3	Joint	268
269	OSHSTORE6A	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY STORE HOUSE 6-A	Joint	269
270	OSHWDSHD3A	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY WOODSHED 3-A	Joint	270
271	OSHWH12	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY WAREHOUSE #12	Joint	271
272	OSHWLHSE	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY WELL HOUSE	Joint	272
273	OSHWTRSHED	O'Shaughnessy Dam and Reservoir/Compou	HETCH HETCHY RESERVOIR WATERSHED water quality activities	NA	273
274	OWQSCADA	O'Shaughnessy Dam and Reservoir/Compou	OSHAUGHNESSY WATER QUALITY RTU	Water	274
275	OLDOAKYD	Facilities West of Moccasin Gate Tower	120/240V-OLD OAKDALE YARD LINE	Joint	275
276	OAKCT	Facilities West of Moccasin Gate Tower	OAKDALE EMPLOYEE COTTAGE	Joint	276
277	OAKDALE	Facilities West of Moccasin Gate Tower	OLD OAKDALE YARD	Joint	277
278	OAKGAR	Facilities West of Moccasin Gate Tower	OAKDALE GARAGE	Joint	278
279	OAKLINE	Facilities West of Moccasin Gate Tower	OAKDALE LINE SHOP BUILDING	Joint	279
280	OAKOFFICE	Facilities West of Moccasin Gate Tower	OAKDALE OFFICE BUILDING	Joint	280
281	OAKWHSE	Facilities West of Moccasin Gate Tower	OAKDALE WAREHOUSE BUILDING	Joint	281
282	CPL	Support Systems, Utilities and Other	2.4KV-CANYON PORTAL LINE	Joint	282
283	CRL	Support Systems, Utilities and Other	22.9KV-CHERRY RIDGE LINE	Joint	283
284	CRLC	Support Systems, Utilities and Other	22.9KV-CHERRY COMP TO RISER ACROSS DAM LINE	Joint	284
285	CRLCH	Support Systems, Utilities and Other	22.9KV-CHERRY COMPOUND LINE	Joint	285
286	HL	Support Systems, Utilities and Other	22.9KV-HOLM LINE	Joint	286
287	ICL	Support Systems, Utilities and Other	22.9KV-INTAKE CAMP LINE	Joint	287
288	INTCMP	Support Systems, Utilities and Other	(OLD) INTAKE CAMP LINE	NA	288
289	INT-OSH	Support Systems, Utilities and Other	22.9KV-INTAKE TO OSH LINE	Joint	289
290	IRL	Support Systems, Utilities and Other	22.9KV-INTAKE RADIO SITE LINE	Joint	290
291	KRT	Support Systems, Utilities and Other	(OLD) KPH TO RIDGE LINE TIE LINE	NA	291
292	MATA	Support Systems, Utilities and Other	MATHER "A" LINE	Power	292
293	MATB	Support Systems, Utilities and Other	2.4KV-MATHER "B" LINE	Power	293
294	MCPA	Support Systems, Utilities and Other	2.4KV-MOCCASIN CAMP "A" LINE	Joint	294
295	MCPB	Support Systems, Utilities and Other	2.4KV-MOCCASIN CAMP "B" LINE	Joint	295
296	MPL	Support Systems, Utilities and Other	2.4KV-MOCCASIN PEAK LINE	Joint	296
297	OAKPORT	Support Systems, Utilities and Other	120/240V-OAKDALE PORTAL LINE	Water	297
298	POLES	Support Systems, Utilities and Other	DISTRIBUTION POLE LINES	Joint	298
299	PRL	Support Systems, Utilities and Other	2.4KV-PRIEST RESERVOIR LINE	Joint	299
300	PRLN	Support Systems, Utilities and Other	PRIEST RESERVOIR COMM/SIGNAL LINE	Joint	300
301	RLT	Support Systems, Utilities and Other	(OLD) RIDGE LINE TIE LINE	NA	301
302	RRLINE	Support Systems, Utilities and Other	120/240V-ROCK RIVER LINE	Water	302
303	SJVHLN	Support Systems, Utilities and Other	120/240V-SAN JOAQUIN VALVE HOUSE LINE	Water	303
304	MAXBRKVT1	Support Systems, Utilities and Other	VILLAGE XFMR 1, CIRCUIT BREAKER, MPH1 LOCATION	Joint	304
305	MAXBRKVT2	Support Systems, Utilities and Other	VILLAGE XFMR 2 CIRCUIT BREAKER LOCATION	Joint	305
306	TESLP	Support Systems, Utilities and Other	12KV-TESLA PORTAL LINE	Water	306
307	INTHSFPWLACV	Support Systems, Utilities and Other	TOP INTAKE HILL/ SOUTH FORK RIVER TOWER LINE ROADS	Joint	307
308	ISYL	Support Systems, Utilities and Other	22.9KV-INTAKE SWITCHYARD LINE	Power	308
309	ISOILFLT	Support Systems, Utilities and Other	TRAILER MOUNTED OIL FILTER	Power	309
310	ISYPLCCOMM	Support Systems, Utilities and Other	ISY POWER LINE CARRIER EQUIP	Power	310
312	ISY	Support Systems, Utilities and Other	INTAKE SWITCHYARD	Power	312
313	ISYB	Support Systems, Utilities and Other	ISY BOGUE UNIT	Power	313
314	ISYBUSTIE	Support Systems, Utilities and Other	INTAKE SWITCHYARD H.V. BUS TIE	Power	314
315	ISYCRB	Support Systems, Utilities and Other	INTAKE SWITCHYARD CONTROL ROOM/BUILDING	Power	315
316	ISYLIGHTS	Support Systems, Utilities and Other	SWITCHYARD LIGHTS	Power	316
317	ISYLINE1	Support Systems, Utilities and Other	INTAKE SWITCHYARD H.V. LINE 1	Power	317
318	ISYLINE10	Support Systems, Utilities and Other	INTAKE SWITCHYARD H.V. LINE 10	Power	318
319	ISYLINE11	Support Systems, Utilities and Other	INTAKE SWITCHYARD H.V. LINE 11	Power	319

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320	ISYLINE2	Support Systems, Utilities and Other	INTAKE SWITCHYARD H.V. LINE 2	Power	320
321	ISYLINE2.4	Support Systems, Utilities and Other	INTAKE CAMP LINE 2.4KV	Power	321
322	ISYLINE5	Support Systems, Utilities and Other	INTAKE SWITCHYARD H.V. LINE 5	Power	322
323	ISYLINE6	Support Systems, Utilities and Other	INTAKE SWITCHYARD H.V. LINE 6	Power	323
324	ISYLINE9	Support Systems, Utilities and Other	INTAKE SWITCHYARD H.V. LINE 9	Power	324
325	ISYPRORLY	Support Systems, Utilities and Other	ISY PROTECTIVE RELAYS	Power	325
326	LINE11TWR	Support Systems, Utilities and Other	TRANSMISSION TOWERS, LINE 11	Power	326
327	LINE1-2TWR	Support Systems, Utilities and Other	TOWERS FOR TRANSMISSION LINES 1 & 2	Power	327
328	LINE3-4TWR	Support Systems, Utilities and Other	TRANSMISSION TOWERS, LINES 3 & 4	Power	328
329	LINE5-6TWR	Support Systems, Utilities and Other	TRANSMISSION TOWERS, LINES 5 & 6	Power	329
330	LINE7-8TWR	Support Systems, Utilities and Other	TRANSMISSION TOWERS, LINES 7 & 8	Power	330
331	LINE910TWR	Support Systems, Utilities and Other	TRANSMISSION TOWERS, LINES 9 & 10	Power	331
333	MSYLINE3	Support Systems, Utilities and Other	MSY H.V. LINE 3	Power	333
334	MSYLINE4	Support Systems, Utilities and Other	MSY H.V. LINE 4	Power	334
335	MSYLINE5	Support Systems, Utilities and Other	MSY H.V. LINE 5	Power	335
336	MSYLINE6	Support Systems, Utilities and Other	MSY H.V. LINE 6	Power	336
337	122OSS	Support Systems, Utilities and Other	OAKDALE SUBSTATION (TID)	Power	337
338	CSPRORLY	Support Systems, Utilities and Other	CALAVERUS SUBSTATION PROTECTIVE RELAYS	Power	338
339	CSSPARES	Support Systems, Utilities and Other	ALL CAL SUB SPARE EQUIPMENT	Power	339
340	MID_TID_SUBS	Support Systems, Utilities and Other	NON HETCH HETCHY SUBSTATIONS	Power	340
341	ROP	Support Systems, Utilities and Other	ROP SWITCH ROOM	Power	341
342	STSUB	Support Systems, Utilities and Other	STANDIFORD SUBSTATION, MODESTO	Power	342
343	DAVISSUB	This row not included by SFPUC	DAVIS SUB STATION	NA	343
344	WDCALSUB	Support Systems, Utilities and Other	CALAVERAS SUBSTATION	Power	344
345	ISYSCADA	Support Systems, Utilities and Other	INTAKE SWITCHYARD SCADA RTU	Power	345
346	CALSCADA	Support Systems, Utilities and Other	CALAVERAS SUB SCADA RTU	Power	346
347	ROPREVMTR	Support Systems, Utilities and Other	JEM TWO ELEMENT METER	Power	347
348	ROPREVREC	Support Systems, Utilities and Other	ROP REVNUC METERING RECORDER	Power	348
349	TISSCAD	Support Systems, Utilities and Other	TREASURE ISLAND SCADA RTU	Power	349
350	REVMETERS	Support Systems, Utilities and Other	PROJECT BILLABLE REVENUE METERS	Power	350
351	PRSTSCADA	Priest Regulating Dam and Reservoir	PRIEST RESERVOIR SCADA RTU	Power	351
352	WPVSCADA	Priest Regulating Dam and Reservoir	WEST PORTAL VALVEHOUSE RTU	Power	352
353	PRBYPASS	Priest Regulating Dam and Reservoir	PRIEST BYPASS SYSTEM FROM MTN TUNNEL TO GATE TOWER	Joint	353
354	PRCANAL	Priest Regulating Dam and Reservoir	PRIEST CANAL	Power	354
355	AUXBUIER	Priest Regulating Dam and Reservoir	PRIEST RES. AUXILIARY BUILDING ELECTRICAL ROOM	Joint	355
356	AUXBUIGR	Priest Regulating Dam and Reservoir	PRIEST RES. AUXILIARY BUILDING GENERATOR ROOM	Joint	356
357	AUXBUIMR	Priest Regulating Dam and Reservoir	PRIEST RES. AUXILIARY BUILDING MECHANICAL ROOM	Joint	357
358	PRGTTWRMN	Priest Regulating Dam and Reservoir	PRIEST GATE TOWER MAIN , PRIEST	Power	358
360	PRMCPWLCRDCV	Support Systems, Utilities and Other	PRIEST TO MOCCASIN POWER LINE ROADS	Power	360
361	PRSRES	Priest Regulating Dam and Reservoir	PRIEST RESERVOIR	Power	361
362	WESTPORTAL	Priest Regulating Dam and Reservoir	WEST PORTAL EQUIPMENT	Power	362
363	MOCCPWTUN	Priest Regulating Dam and Reservoir	MOCCASIN POWER TUNNEL	Power	363
364	PRIESTCOTT	Priest Regulating Dam and Reservoir	PRIEST COTTAGE	Joint	364
365	PRIESTDM	Priest Regulating Dam and Reservoir	PRIEST DAM	Power	365
366	PRWT1	Priest Regulating Dam and Reservoir	PRIEST DOMESTIC WATER TANK	Joint	366
367	MCPSTORE		MOCCASIN GENERAL STORE BLDG		367
368	KPHASS		KIRKWOOD P.H. AUTO SPRINKLER SYSTEM		368
369	ELSURVCAB		ELEANOR MIGUEL MEADOW SURVEY CABIN		369
370	GRP		(OLD) GRANITE PORTAL LINE		370
371	JONESPOINT		JONES POINT MICROWAVE COMMUNICATION SITE		371
372	JPCSBATA		JONES POINT BATTERY BANK *A* (3 12 VOLT GELL CELL		372

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373	JPCSBATB		JONES POINT BATTERY BANK *B* (3 12 VOLT GELL CELL		373
374	JPCSBLDG		JONES POINT COMM SITE EQUIP BUILDING		374
375	JPDISH1		JONES PIONT ANTENNA DISH PATH 1 TO DUCKWALL REPEAT		375
376	JPDISH2		JONES PIONT ANTENNA DISH PATH 2 TO INTAKE SWITCHYA		376
377	JPPVCTRLA		JONES POINT PHOTOVOLTAIC CHARGER CONTROL BATTERY B		377
378	JPPVCTRLB		JONES POINT PHOTOVOLTAIC CHARGER CONTROL BATTERY B		378
379	JPSOLPNLA		JONES POINT SOLAR PANNELS *A*		379
380	JPSOLPNLB		JONES POINT SOLAR PANNELS *B*		380
381	JPTOWER		JONES PIONT TOWER STRUCTURE		381
382	JPTXALARM		JONES POINT REPEATER TRANSMIT ALARM UNIT		382
383	MCPTV		MOCCASIN CABLE TELEVISION SYS		383
384	OAKLAND		OAKLAND EQUIPMENT AND BUILDINGS		384
385	BMIS		MAINFRAME COMPUTER IN S.F.		385
386	HH RRAS		ASSETS THAT ARE RETIRED OR NO LONGER IN SERVICE		386
387	SANFRAN		SAN FRANCISCO EQUIPMENT & BUILDINGS		387
388	VALDIV		VALLEY DIVISION EQUIPMENT		388
389	1155MKT		1155 MARKET STREET		389
390	COLLEGE		SF CITY COLLEGE		390
391	MOSCONE		MOSCONE CENTER		391
392	TESCT		TESLA COTTAGE		392
393	TESGAR		TESLA GARAGE		393
394	TESLAFUEL		TESLA PORTAL FUELING STATION		394
395	MOCCPENSRCV	Support Systems, Utilities and Other	MOCCASIN CAMP PENSTOCK SOUTH SIDE ROAD CULVERT	Joint	395
396	PRIESTAUXBUI	Support Systems, Utilities and Other	PRIEST RES. AUXILIARY BUILDING, CONTROL ROOM, SUBS	Joint	396
397	PRIESTDIRDCV	Support Systems, Utilities and Other	PRIEST DIRT ROADS PRIEST CULVERT	Joint	397
398	PRIESTDIRTRD	Support Systems, Utilities and Other	PRIEST AREA DIRT ROADS, PRIEST	Joint	398
399	PRIESTPARDCV	Support Systems, Utilities and Other	PRIEST AREA PAVED ROADS, PRIEST CULVERT	Joint	399
400	PRIESTPAVERD	Support Systems, Utilities and Other	PRIEST AREA PAVED ROADS, PRIEST	Joint	400
401	PRIESTRDS	Support Systems, Utilities and Other	PRIEST AREA ROADS, PRIEST	Joint	401
402	OSHBR	Support Systems, Utilities and Other	OSHAUGHNESSY TIMBER BRIDGE	Joint	402
403	OSHROADS	Support Systems, Utilities and Other	OSH AREA ROADS	Joint	403
404	CSTRGTNACRCV	Support Systems, Utilities and Other	PIPELINE TUNNEL RD. - CULVERTS	Joint	404
405	CSTRGTNLACCR	Support Systems, Utilities and Other	PIPELINE TUNNEL RD. - BIRD RD TO ALAMEDA EAST	Joint	405
406	DRDTOEEMRD	Support Systems, Utilities and Other	POWER LINE ACCESS RD - DIRT ACC. RD TO 2 TOWERS	Joint	406
407	EMRYRDACCRD	Support Systems, Utilities and Other	PIPELINE & PWRLINE ACCESS RD (EMERY RD - BIRD RD)	Joint	407
408	EMRYRDACRDCV	Support Systems, Utilities and Other	PIPELINE & PWRLINE ACCESS RD CULVERTS	Joint	408
409	FRHYPWLACCRD	Support Systems, Utilities and Other	FERRETTI ROAD TO HWY 120 TOWER LINE ROADS	Joint	409
410	FRHYPWLACRCV	Support Systems, Utilities and Other	FERRETTI ROAD TO HWY 120 TOWER LINE ROADS	Joint	410
411	FTDMPRACC	Support Systems, Utilities and Other	MARSHES FLAT TO MOCCASIN PEAK RADIO SITE ROAD ,	Joint	411
412	FTDMPRACCCV	Support Systems, Utilities and Other	MARSHES FLAT TO MOCCASIN PEAK RADIO SITE ROAD ,	Joint	412
413	HYMRPWLACCR	Support Systems, Utilities and Other	HWY 120 TO MERRELL ROAD TOWER LINE ROADS	Joint	413
414	ICPCHEL	Support Systems, Utilities and Other	CHERRY OIL TO ELEANOR ROAD, INTAKE /ELEANOR	Joint	414
415	ICPCHELVCV	Support Systems, Utilities and Other	CHERRY OIL TO ELEANOR ROAD CULVERT	Joint	415
416	ICPCHERRY	Support Systems, Utilities and Other	ROAD FROM INTAKE TO CHERRY VALLEY, EARLY INTAKE	Joint	416
417	ICPCHERRYCV	Support Systems, Utilities and Other	ROAD FROM INTAKE TO CHERRY VALLEY, EARLY INTAKE CULV	Joint	417
418	ICPHILLRD	Support Systems, Utilities and Other	ROAD-INTAKE HILL FROM RED HILLS TO INTAKE	Joint	418
419	ICPHILLRDCV	Support Systems, Utilities and Other	ROAD INTAKE HILLFROM RED HILLS TO INTAKE, CULVERTS	Joint	419
420	ICPHPHRD	Support Systems, Utilities and Other	CHERRY OIL TO HPH ROAD,INTAKE/HPH ROAD	Power	420
421	ICPHPHRDCV	Support Systems, Utilities and Other	CHERRY OIL ROADTO HPH ROAD,INTAKE/HPH ROAD CULVERT	Power	421
422	ICPMATHER	Support Systems, Utilities and Other	ROAD FROM TOP OF INTAKE HILL TO CAMP MATHER	Joint	422
423	ICPREDHILL	Support Systems, Utilities and Other	ROADWAY-HWY120 TO INTAKE HILL EARLY INTAKE	Joint	423

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424	ICPREDHILLCV	Support Systems, Utilities and Other	ROADWAY-HWY120 TO INTAKE HILL EARLY INTAKE	Joint	424
425	ICPROADS	Support Systems, Utilities and Other	INTAKE/CHERRY/MATHER/ELEANOR AREA ROADS	Joint	425
426	J59RRRPLACRD	Support Systems, Utilities and Other	POWER LINE ACCESS RD - RD J59 TO ROCK RIVER ROAD	Joint	426
428	MCDIRTRDSCV	Support Systems, Utilities and Other	MOCCASIN DIRT ROADS CULVERTS	Joint	428
429	MCPAVERDS	Support Systems, Utilities and Other	MOCCASIN AREA PAVED ROADS	Joint	429
430	MCPAVERDSCV	Support Systems, Utilities and Other	MOCCASIN AREA PAVED ROADS CULVERTS	Joint	430
431	MCPROADS	Support Systems, Utilities and Other	MOCCASIN AREA ROADS	Joint	431
433	MCPRRGCV	Support Systems, Utilities and Other	MOCCASIN TO PRIEST RAILROAD GRADE , MOCCASIN	Joint	433
434	MOCCPENSTSRD	Support Systems, Utilities and Other	MOCCASIN AREA ROADS PENSTOCK SOUTH SIDE MCP	Joint?	434
435	MOCTOMARSFL	Support Systems, Utilities and Other	MOCCASIN TO MARSH FLAT TOWER 239S TOWER LINE	Joint	435
436	MRPCPWLACCRD	Support Systems, Utilities and Other	MERRELL ROAD TO PRIEST TOWER LINE ROADS	Joint	436
437	MRPCPWLACRCV	Support Systems, Utilities and Other	MERRELL ROAD TO PRIEST TOWER LINE ROADS	Joint	437
438	MSJPWLACCRD	Support Systems, Utilities and Other	POWER LINE ACCESS RD - BIRD RD TO MISSION SAN JOSE	Joint	438
439	MT5-6ACRO	Support Systems, Utilities and Other	MOUNTAIN TUNNEL ACCESS ROAD TO 5-6 ADIT	Joint	439
440	MT5-6ACROCV	Support Systems, Utilities and Other	MOUNTAIN TUNNEL ACCESS ROAD TO 5-6 ADIT CULVERT	Joint	440
441	RMBWPLACCRD	Support Systems, Utilities and Other	PIPELINE ACCESS RD - RMB TO EMERY RD	Joint	441
442	RMBWPLACRDC	Support Systems, Utilities and Other	PIPELINE ACCESS CULVERT RD - RMB TO EMERY RD	Joint	442
443	RMBWPWLACCR	Support Systems, Utilities and Other	POWER LINE ACCESS RD - RMB TO J59	Joint	443
444	RRRLIMPTWLRD	Support Systems, Utilities and Other	POWER LINE ACCESS RD - ROCK RIVER ROAD LIME PIT	Joint	444
446	SFRFRPWLACV	Support Systems, Utilities and Other	SOUTH FORK RIVER TO FERRETTI ROAD TOWER LINE ROADS	Joint	446
447	WESTPORTALRD	Support Systems, Utilities and Other	WEST PORTAL AREA ROADS	Joint	447
448	WILRDTODACRD	Support Systems, Utilities and Other	POWER LINE ACCESS RD - WILMS ROAD TO DIRT ACC. RD	Joint	448
449	WPPAVERDSCV	Support Systems, Utilities and Other	WEST PORTAL AREA PAVED ROADS CULVERT	Joint	449
450	INTHSFPWLACC	Support Systems, Utilities and Other	TOP INTAKE HILL/ SOUTH FORK RIVER TOWER LINE ROADS	Joint	450
451	MARSFLDONPCV	Support Systems, Utilities and Other	MARSH FLAT TO DON PEDRO TOWER 243S TO TOWER 258S	Joint	451
452	MARSFLTODONP	Support Systems, Utilities and Other	MARSH FLAT TO DON PEDRO TOWER 243S TO TOWER 258S	Joint	452
453	MOCMARSFLCCV	Support Systems, Utilities and Other	MOCCASIN TO MARSH FLAT TOWER 239S TOWER LINE	Joint	453
454	MOCMARSFLCV	Support Systems, Utilities and Other	MOCCASIN TO MARSH FLAT TOWER 239S TOWER LINE	Joint	454
455	PRMCPWLACCRD	Support Systems, Utilities and Other	PRIEST TO MOCCASIN TOWER LINE ROADS	Joint	455
456	VDPLACCRD	Support Systems, Utilities and Other	ALL PIPELINE ACCESS ROADS	Joint	456
457	ICPMATHERCV	Support Systems, Utilities and Other	ROAD FROM TOP OF INTAKE HILL TO CAMP MATHER CULVER	Joint	457
458	V-HH-EQP	Support Systems, Utilities and Other	HEAVY EQUIPMENT	Joint	458
459	DWTXALARM	Support Systems, Utilities and Other	DUCKWALL REPEATER TRANSMIT ALARM UNIT	Joint	459
460	MPRRALMRX	Support Systems, Utilities and Other	MPR REPEATER ALARM RECEIVER	Joint	460
461	MPRSCADA	Support Systems, Utilities and Other	MOCCASIN PEAK RADIO SITE RTU	Joint	461
462	SCADA	Support Systems, Utilities and Other	HHWP SCADA SYSTEM	Joint	462
463	SCADAMSTER	Support Systems, Utilities and Other	NEW L&G 6800 SCADA MASTER	NA	463
464	SCADAMSTR	Support Systems, Utilities and Other	SCADA MASTER STATION A & B	NA	464
465	SCADAMSTR-TG	Support Systems, Utilities and Other	SCADA MASTER, NEW TG8000-EMS SCADA	NA	465
466	HHMOCCNET	Support Systems, Utilities and Other	PROJECT NOVELL 386 NETWORK	NA	466
467	BLKNGCARR	Support Systems, Utilities and Other	BLOCKING CARRIER SYSTEMS	Power	467
468	BORCS	Support Systems, Utilities and Other	BURNOUT RIDGE COMMUNICATION SITE	Joint	468
469	BORMICROWAV	Support Systems, Utilities and Other	BURN OUT RIDGE MICROWAVE COMMUNICATION SITE	Joint	469
470	COMM	Support Systems, Utilities and Other	HHWP COMMUNICATION SYSTEMS	Joint	470
471	COMPTREQP	Support Systems, Utilities and Other	COMPUTER EQUIP, ELECTRONIC DEVICES & SECURITY KEYS	Joint	471
472	CTSMICROWAVE	Support Systems, Utilities and Other	CHERRY MICROWAVE COMMUNICATION SITE	Joint	472
473	CVCS	Support Systems, Utilities and Other	CHERRY VALLEY COMMUNICATION SITE	Joint	473
474	DATACOMM	Support Systems, Utilities and Other	DATA COMMUNICATION SYSTEMS	Joint	474
475	DUCKWALL	Support Systems, Utilities and Other	DUCKWALL MICROWAVE COMMUNICATION SITE	Joint	475
476	DWCSBATA	Support Systems, Utilities and Other	COMM SITE BATTERY BANK *A* (5-12 VOLT GELL CELL BA	Joint	476
477	DWCSBATB	Support Systems, Utilities and Other	COMM SITE BATTERY BANK *B* (5-12 VOLT GELL CELL BA	Joint	477

Maximo Record Number	Maximo ID Location	SFPUC Facility Group	Facility	Classification	Maximo Record Number
478	DWCSBLDG	Support Systems, Utilities and Other	DUCKWALL COMM SITE EQUIP BUILDING	Joint	478
479	DWDISH1	Support Systems, Utilities and Other	DUCKWALL ANTENNA DISH PATH 1 TO JONES POINT REPEAT	Joint	479
480	DWDISH2	Support Systems, Utilities and Other	DUCKWALL ANTENNA DISH PATH 2 TO MOCCASIN PEAK REPE	Joint	480
481	DWPVCTRLA	Support Systems, Utilities and Other	DUCKWALL PHOTOVOLTAIC CHARGER CONTROL BATTERY BANK	Joint	481
482	DWPVCTRLB	Support Systems, Utilities and Other	DUCKWALL PHOTOVOLTAIC CHARGER CONTROL BATTERY BANK	Joint	482
483	DWSOLPNLA	Support Systems, Utilities and Other	DUCKWALL SOLAR PANNELS *A*	Joint	483
484	DWSOLPNLB	Support Systems, Utilities and Other	DUCKWALL SOLAR PANNEL *B*	Joint	484
485	DWTOWER	Support Systems, Utilities and Other	DUCKWALL TOWER STRUCTURE	Joint	485
486	ICPRAD	Support Systems, Utilities and Other	ICP RADIO BUILDING	Joint	486
487	ICPRADIOSITE	Support Systems, Utilities and Other	EARLY INTAKE RADIO SITE	Joint	487
488	IRSMICROWAVE	Support Systems, Utilities and Other	INTAKE MICROWAVE COMMUNICATION SITE	Joint	488
489	MCPMICROWAV	Support Systems, Utilities and Other	MOCCASIN CAMP MICROWAVE COMMUNICATION SITE BUILDING	Joint	489
490	MCPRADST	Support Systems, Utilities and Other	OLD MOCCASIN RADIO STATION BLDG	NA	490
491	MICROCOMM	Support Systems, Utilities and Other	MICROWAVE COMMUNICATION SYSTEMS	Joint	491
492	MPR	Support Systems, Utilities and Other	MOCCASIN PK. RADIO SITE	Joint	492
493	MPRBLDG	Support Systems, Utilities and Other	MOCCASIN PK. RADIO SITE BUILDING	Joint	493
494	MPRFRBBA	Support Systems, Utilities and Other	MPR FLOTROL RECTIFIER BATT BANK A	Joint	494
495	MPRFRBBB	Support Systems, Utilities and Other	MPR FLOTROL RECTIFIER BATT BANK B	Joint	495
496	MPRGEN	Support Systems, Utilities and Other	MOCCASIN PEAK RADIO SITE STAND-BY GENERATOR / LP	Joint	496
497	MPRGENCU	Support Systems, Utilities and Other	MPR STNBY GENERATOR CTRL UNIT	Joint	497
498	MPRHAL	Support Systems, Utilities and Other	MOCC PEAK RADIO BUILDING HALON SYS	Joint	498
499	OPTICCOMM	Support Systems, Utilities and Other	OPTICAL FIBER COMMUNICATION SYSTEMS	Joint	499
500	PPPCS	Support Systems, Utilities and Other	POOPENAUT PASS COMMUNICATION SITE	Joint	500
501	PPPMICROWAVE	Support Systems, Utilities and Other	POOPANAUNT PASS MICROWAVE COMMUNICATION SITE	Joint	501
502	RADIOCOMM	Support Systems, Utilities and Other	RADIO COMMUNICATION SYSTEMS	Joint	502
503	TELCOMM	Support Systems, Utilities and Other	TELEPHONE COMMUNICATION SYSTEMS	Joint	503
504	TRANFTRIP	Support Systems, Utilities and Other	TRANSFER TRIP SYSTEMS	Power	504
505	WESTPORTCS	Support Systems, Utilities and Other	WEST PORTAL COMMUNICATION SITE	Joint	505
506	PWRLNCARR	Support Systems, Utilities and Other	POWER LINE CARRIER SYSTEMS	Power	506
507	HHKEYS	Support Systems, Utilities and Other	HETCH HETCHY SECURITY KEYS, MOCCASIN	Joint	507
508	WSBSCADA	Facilities West of Moccasin Gate Tower	WARNERVILLE SHOP BLDG RTU	Joint	508
509	WSYSCADA	Facilities West of Moccasin Gate Tower	WARNERVILLE SWITCHYARD SCADA RTU	Joint	509
510	WSYCRB	Facilities West of Moccasin Gate Tower	WSY CONTROL ROOM/BUILDING, WSY	Power	510
511	WSYCT	Facilities West of Moccasin Gate Tower	WARNERVILLE COTTAGES	Joint	511
512	WSYDWS	Facilities West of Moccasin Gate Tower	WARNERVILLE DOMESTIC WATER SYSTEM , WARNERVILLE	Joint	512
513	WSYFUEL	Facilities West of Moccasin Gate Tower	WARNERVILLE FUELING STATION	Joint	513
514	WSYSHPS	Facilities West of Moccasin Gate Tower	WARNERVILLE SHOPS/OFFICE BUILDING	Joint	514
515	WSY	Facilities West of Moccasin Gate Tower	WARNERVILLE SWITCHYARD/SUBSTATION	Power	515
516	WSY115KVT1	Facilities West of Moccasin Gate Tower	115KV NUMBER 1 TRANSFORMER BUS	Power	516
517	WSY115KVT2	Facilities West of Moccasin Gate Tower	115KV NUMBER 2 TRANSFORMER BUS	Power	517
518	WSY115KVT3	Facilities West of Moccasin Gate Tower	115KV NUMBER 3 TRANSFORMER BUS	Power	518
519	WSYBUSTIE	Facilities West of Moccasin Gate Tower	WARNERVILLE SW YARD BUS TIE 230KV	Power	519
520	WSYDELG	Facilities West of Moccasin Gate Tower	WARNERVILLE SUB DELUGE SYSTEM	Power	520
521	WSYLINE5	Facilities West of Moccasin Gate Tower	WARNERVILLE SWITCHYARD H.V. LINE 5	Power	521
522	WSYLINE6	Facilities West of Moccasin Gate Tower	WARNERVILLE SWITCHYARD H.V. LINE 6	Power	522
523	WSYLINE7	Facilities West of Moccasin Gate Tower	WARNERVILLE SWITCHYARD 115KV LINE 7	Power	523
524	WSYLINE8	Facilities West of Moccasin Gate Tower	WARNERVILLE SWITCHYARD 115KV LINE 8	Power	524
525	WSYPGEL2BG	Facilities West of Moccasin Gate Tower	WSY PGE LINE 2 BELLOTA GREGG	Power	525
526	WSYPRORLY	Facilities West of Moccasin Gate Tower	WSY PROTECTIVE RELAYS	Power	526
527	WSYSUMP	Facilities West of Moccasin Gate Tower	WARNERVILLE SWITCH YARD SUMP PUMP	Power	527
528	WSYTB1	Facilities West of Moccasin Gate Tower	230KV NUMBER 1 TRANSFORMER BUS	Power	528

Maximo Record Number	Maximo ID Location	SFPUC Facility Group	Facility	Classification	Maximo Record Number
529	WSYTB2&3	Facilities West of Moccasin Gate Tower	230KV BUS FOR NUMBER 2&3 XFMR	Power	529
530	WSYDWBFP	Facilities West of Moccasin Gate Tower	WARNERVILLE BACK FLOW PREVENTERS, WSY	Joint	530
531	OPVSCADA	Facilities West of Moccasin Gate Tower	OAKDALE PORTAL VALVEHOUSE RTU	Water	531
532	ARVHSCADA	Facilities West of Moccasin Gate Tower	ALBERS RD VALVE HOUSE SCADA RTU	Water	532
533	101PJ4VH	Facilities West of Moccasin Gate Tower	SJPL3 and SJPL4 JUNCTION VALVEHOUSE	Water	533
534	ALBERVH	Facilities West of Moccasin Gate Tower	ALBERS RD VALVE HOUSE	Water	534
535	ALMPORTAL	Facilities West of Moccasin Gate Tower	ALAMEDA EAST PORTAL	Water	535
536	AVH	Facilities West of Moccasin Gate Tower	ALAMEDA VALVE HOUSE #2	Water	536
537	CASHCRVH	Facilities West of Moccasin Gate Tower	CASHMAN CREEK VALVE HOUSE	Water	537
538	CSTRNGTNL	Facilities West of Moccasin Gate Tower	COAST RANGE TUNNEL / TESLA - SUNOL	Water	538
539	EMERYCOAUX	Facilities West of Moccasin Gate Tower	EMERY ROAD CROSSOVER AUX CONTROL BUILDING	Water	539
540	EMERYCOVH	Facilities West of Moccasin Gate Tower	EMERY ROAD CROSSOVER VALVE HOUSE	Water	540
541	FTDBRNAD	Facilities West of Moccasin Gate Tower	FOOTHILL TNL BROWNS TUNNEL ACCESS	Water	541
542	FTDRMBE	Facilities West of Moccasin Gate Tower	FOOTHILL TUNNEL RED MNTN BAR EAST	Water	542
543	FTDRMBSPH	Facilities West of Moccasin Gate Tower	RED MNTN BAR SIPHON , RED MOUNTAIN BAR	Water	543
544	FTDRMBSS	Facilities West of Moccasin Gate Tower	RED MNTN BAR EAST SURGE SHAFT , RED MOUNTAIN BAR	Water	544
545	FTHTNLDIV	Facilities West of Moccasin Gate Tower	FOOTHILL TUNNEL DIVISION	Water	545
546	OAKPORTAL	Facilities West of Moccasin Gate Tower	OAKDALE PORTAL VALVE HOUSES	Water	546
547	PELICANCOVH	Facilities West of Moccasin Gate Tower	PELICAN CROSSOVER VALVE HOUSE	Water	547
548	PELICANXOAUX	Facilities West of Moccasin Gate Tower	PELICAN CROSSOVER AUX CONTROL BUILDING	Water	548
549	PL2THSEAU	Facilities West of Moccasin Gate Tower	SJPL2, THROTTLING STATION #1, AUXILIARY	Water	549
550	PL2THSWAU	Facilities West of Moccasin Gate Tower	SJPL2, THROTTLING STATION #2, AUXILIARY	Water	550
551	RMBGATHOU	Facilities West of Moccasin Gate Tower	RED MOUNTAIN BAR WEST GATE HOUSE, RMB	Water	551
552	RMBSCADA	Facilities West of Moccasin Gate Tower	RED MTN. BAR SLIDE GATE RTU	Water	552
553	ROSELCOAUX	Facilities West of Moccasin Gate Tower	ROSELLE AVE CROSSOVER AUX BUILDING	Water	553
554	ROSELCOVH	Facilities West of Moccasin Gate Tower	ROSELLE AVE. CROSSOVER VALVE HOUSE	Water	554
555	RR	Facilities West of Moccasin Gate Tower	ROCK RIVER	Water	555
556	RRLSCADA	Facilities West of Moccasin Gate Tower	ROCK RIVER LIME PLANT RTU	Water	556
557	SJCSCADA	Facilities West of Moccasin Gate Tower	SAN JOAQUIN PIPELINE CROSS-OVER RTU	Water	557
558	SJPL	Facilities West of Moccasin Gate Tower	SAN JOAQUIN VALLEY PIPELINES	Water	558
559	SJPL2THSE	Facilities West of Moccasin Gate Tower	SAN JOAQUIN PIPELINE 2, THROTTLING STATION #1	Water	559
560	SJPL2THSW	Facilities West of Moccasin Gate Tower	SAN JOAQUIN PIPELINE 2, THROTTLING STATION #2	Water	560
561	SJPL3THS	Facilities West of Moccasin Gate Tower	SAN JOAQUIN PIPELINE 3,4 THROTTLING STATION	Water	561
562	SJVH	Facilities West of Moccasin Gate Tower	SAN JOAQUIN VALVE HOUSE	Water	562
563	SJVHAUXBLDG	Facilities West of Moccasin Gate Tower	SAN JOAQUIN VALVE HOUSE AUXILLARY BUILDING	Water	563
564	SJVSCADA	Facilities West of Moccasin Gate Tower	SAN JOAQUIN VALVEHOUSE RTU	Water	564
565	TESCHLOR	Facilities West of Moccasin Gate Tower	TESLA CHLORINATION BUILDING	Water	565
566	TESGENHSE	Facilities West of Moccasin Gate Tower	TESLA GENERATOR HOUSE	Water	566
567	TESLA-HH	Facilities West of Moccasin Gate Tower	TESLA PORTAL EQUIPMENT AND BLDGS	Water	567
568	TESPORTAL	Facilities West of Moccasin Gate Tower	TESLA PORTAL VALVE HOUSES	Water	568
569	TESPUMPHSE	Facilities West of Moccasin Gate Tower	TESLA PUMPHOUSE	Water	569
570	TPVSCADA	Facilities West of Moccasin Gate Tower	TESLA PORTAL VALVEHOUSE RTU	Water	570
571	TSLDWS	Facilities West of Moccasin Gate Tower	TESLA DOMESTIC WATER SYSTEM	Water	571
572	TSLSEWSYS	Facilities West of Moccasin Gate Tower	TESLA PORTAL SEWAGE SYSTEM	Water	572
573	TUTF	Facilities West of Moccasin Gate Tower	TESLA ULTRAVIOLET TREATMENT FACILITY	Water	573
574	TUVH	Facilities West of Moccasin Gate Tower	TESLA ULTRAVIOLET VALVE HOUSE	Water	574
575	VDHHSHAFT	Facilities West of Moccasin Gate Tower	HETCH HETCHY SURGE SHAFT	Water	575
576	VDOAKOVR	Facilities West of Moccasin Gate Tower	FTHL TNL OAKDALE PORTAL OVERFLOW SHAFT	Water	576
577	VPEDROADT	Facilities West of Moccasin Gate Tower	FOOTHILL TNL PEDRO ACCESS	Water	577
578	VDRMBW	Facilities West of Moccasin Gate Tower	RED MNTN BAR WEST	Water	578

**Amendment 5:
Wholesale Capital Fund
(Sec. 6.08.E; Attachment M-3)**

E. In order to prevent the accumulation of an excessive unexpended and unencumbered ~~surplus~~balance in the Wholesale Capital Fund, the status of the fund balance will be reviewed through the annual Compliance Audit ~~at five-year intervals~~, commencing in FY 2018-19. The FY 2018-19 Compliance Audit and the Wholesale Customer/BAWSCA review under Section 7.06 shall include Wholesale Capital Fund appropriations, expenditures and interest earnings for FY 2014-15. ~~Any excess fund balance (i.e., an accumulated unexpended, through 2017-18 for the purpose of determining whether a Balancing Account transfer is required. If the June 30 unencumbered amount in excess of ten percent (10%) of the wholesale share of total capital appropriations for New Regional Assets during the five preceding years) will~~balance of the Wholesale Capital Fund exceeds the lesser of the following: (i) the Target Balance; (ii) the unencumbered remaining cumulative appropriations, the amount of such excess shall be transferred to the credit of the Wholesale Customers to the Balancing Account described in Section 6.05.

In order to avoid funding delays for New Regional Asset capital projects resulting from prior year transfers of excess Wholesale Capital fund balances to the Wholesale Customers, if the June 30 unencumbered balance of the Wholesale Capital Fund is below the lesser of the following: (i) the Target Balance; (ii) the unencumbered remaining cumulative appropriation, such deficiency shall be posted to the Balancing Account described in Section 6.05 as a charge to the Wholesale Customers. Notwithstanding the foregoing, no such charge to the Wholesale Customers shall exceed \$4 million annually.

Amended Attachment M-3 illustrates the ~~operation of this review process, covering FY 2009-10 through FY 2013-14 and FY 2014-15 through 2018-19.~~ for determining the Wholesale Capital Fund balance as of June 30, 2019.

Amended Attachment M-3
Wholesale Capital Fund and Balancing Account Adjustment
Reference Amended Section 6.08E

A. Cash Flow in Wholesale Capital Fund		Original 5 Year True-up Method FYEs 2010-2018									Amended Annual True-Up (FYE 2019 and Beyond)				
		FYE 2010	FYE 2011	FYE 2012	FYE 2013	FYE 2014	FYE 2015	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023
1	Beginning Total Balance (1)	-	8,818,323	12,404,275	15,761,658	16,268,065	9,084,304	17,243,583	32,251,212	29,842,765	33,698,785	41,548,944	47,366,205	36,848,850	21,206,239
2	Annual Appropriation (2)	10,476,724	8,636,920	21,737,468	11,285,643	18,668,585	15,432,451	21,138,051	11,184,265	17,847,379	26,424,000	26,420,000	13,210,000	13,210,000	13,210,000
3	Annual Expenditures (3)	(1,778,695)	(5,202,897)	(18,553,119)	(10,916,349)	(5,758,565)	(7,331,312)	(6,245,954)	(13,892,649)	(14,361,409)	(18,089,498)	(16,723,232)	(28,485,215)	(33,563,793)	(22,018,000)
4	Interest Earnings (4)	120,294	151,929	173,034	137,113	180,672	58,140	115,532	299,936	370,050	475,153	664,783	757,859	711,183	409,280
June 30 Balances Before Balancing Account Transfers															
5	Total Balance (5)	8,818,323	12,404,275	15,761,658	16,268,065	29,358,756	17,243,583	32,251,212	29,842,765	33,698,785	42,508,440	51,910,495	32,848,850	17,206,239	12,807,520
6	Amount Encumbered as of June 30 (6)					(1,927,466)					(1,000,000)	(1,000,000)	(1,000,000)	(2,000,000)	(2,000,000)
7	Unencumbered Balance (7)	n/a	n/a	n/a	n/a	27,431,290	n/a	n/a	n/a	n/a	41,508,440	50,910,495	31,848,850	15,206,239	10,807,520
8	Transfer From/(To) Balancing Account (8)	n/a	n/a	n/a	n/a	(20,274,452)	n/a	n/a	n/a	n/a	(959,496)	(4,544,290)	4,000,000	4,000,000	4,000,000
Ending Balances After Balancing Account Transfers															
9	Ending Total Balance (9)	8,818,323	12,404,275	15,761,658	16,268,065	9,084,304	17,243,583	32,251,212	29,842,765	33,698,785	41,548,944	47,366,205	36,848,850	21,206,239	16,807,520
10	Unencumbered Ending Balance (10)	n/a	n/a	n/a	n/a	7,156,838	n/a	n/a	n/a	n/a	40,548,944	46,366,205	35,848,850	19,206,239	14,807,520
B. Calculation of Target Balance															
11	Target WCF Balance (11)					7,156,838					40,548,944	46,366,205	40,559,076	34,346,800	29,062,000
C. Calculation of Remaining Cumulative Appropriation															
12	Cumulative Appropriation Since FYE 2010 (12)	10,476,724	19,113,644	40,851,112	52,136,755	70,805,340	86,237,791	107,375,842	118,560,107	136,407,486	162,831,486	189,251,486	202,461,486	215,671,486	228,881,486
13	Cumulative Expenditures Since FYE 2010 (13)	(1,778,695)	(6,981,592)	(25,534,711)	(36,451,060)	(42,209,626)	(49,540,938)	(55,786,891)	(69,679,540)	(84,040,949)	(102,130,447)	(118,853,679)	(147,338,893)	(180,902,686)	(202,920,686)
14	Total Remaining Cumulative Appropriation (14)					28,595,715	36,696,854	51,588,951	48,880,567	52,366,537	60,701,040	70,397,808	55,122,593	34,768,800	25,960,800
15	Amount Encumbered as of June 30 (15)					(1,927,466)				-	(1,000,000)	(1,000,000)	(1,000,000)	(2,000,000)	(2,000,000)
16	Unencumbered Remaining Cumulative Appropriation (16)		n/a	n/a	n/a	26,668,249	n/a	n/a	n/a	n/a	59,701,040	69,397,808	54,122,593	32,768,800	23,960,800
D. Lesser of Target Balance and Unencumbered Remaining Cumulative Appropriation															
17	Lesser of Target Balance (line 11) and Unencumbered Remaining Appropriation (line 16) (17)										40,548,944	46,366,205	40,559,076	32,768,800	23,960,800
E. Calculation of Excess Fund Balance and Refund to Wholesale Customers Through Balancing Account															
18	Is Unencumbered Balance (line 7) more than line 17? (18)										Yes	Yes	No	No	No
19	Excess WCF Balance (applied as a negative entry on line 8) (19)										959,496	4,544,290	-	-	-
F. Calculation of Deficiency Fund Balance and Charge to Wholesale Customers Through Balancing Account (This Section is Only Applicable in Any Year When Line 18 is No)															
20	Is Unencumbered Balance (line 7) less than line 17? (20)												Yes	Yes	Yes
21	Tentative Amount Before Application of \$4 million cap (21)												8,710,226	17,562,561	13,153,280
22	Is line 21 more than \$4,000,000 maximum? (22)												Yes	Yes	Yes
23	Balancing Account Charge (applied as a positive entry on line 8):												4,000,000	4,000,000	4,000,000

- Notes:
- (1) Beginning Total Balance (encumbered and unencumbered). Equal to the prior year ending total balance after balancing account transfers (line 9).
- (2) Wholesale Share of Revenue Funded Appropriations for Regional capital projects, adjusted for de-appropriations which have been factored into a wholesale revenue requirement, if applicable. FYE 2015 and forward are subject to compliance audit and 7.06 review.
Detail by Regional project in the format used in the 2010 - 2014 true-up to be separately provided.
- (3) Wholesale Share of actual Regional capital expenditures funded from Revenue Funded Capital, determined based on proportionate water use in the year of expenditure. Figures from FYE 15 and forward are subject to 7.06 and compliance audit review.
Detail by Regional project in the format used in the 2010 - 2014 true-up to be separately provided.
The figures in line 3 for FYE 18 and on are for illustrative purposes only.
- (4) Line 1 times the assumptions below for the SFPUC pool rate. FYE 2010 - 2014 figures are actual and tie to the first 5 year review.
- | | | | | | | | | | |
|------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Pool rate assumptions: | 0.640% | 0.670% | 0.930% | 1.240% | 1.410% | 1.600% | 1.600% | 1.930% | 1.930% |
|------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
- (5) Total encumbered and unencumbered balance of the Wholesale Capital Fund before Balancing Account adjustments: Line 1 + line 2 + line 3 + line 4.
- (6) Wholesale Share of the encumbrances for purchase orders or contracts in connection with revenue-funded Regional capital projects; calculated using the proportional annual use of the true-up year. Entered as a negative number.
Not applicable in years with no true-up (FYE 2010-13 and 2015-18). FYE 2014 figure is actual. FYE 2019 and forward are plug numbers included for illustration.
- (7) Unencumbered Balance Before Balancing Account transfers: Line 5 + line 6. FYE 2014 figure is actual. Not applicable (n/a) in years with no true-up (FYE 2010-13 and 2015-18).
- (8) Negative entries represent refunds to the Wholesale Customers through the Balancing Account and are calculated per Section E below, except for 2014 which is actual pursuant to the original 6.08E.
Positive entries represent charges to the Wholesale Customers through the Balancing Account and are calculated per Section F below.
- (9) Total Ending Balance After Balancing Account Transfers = Line 5 + line 8.
- (10) Unencumbered Ending Balance After Balancing Account Transfers = Line 7 + line 8. Must not exceed the amount on line 17, which is the lesser of the Target Balance (line 11) and the Unencumbered Remaining Cumulative Appropriation (line 16).
- (11) Starting in FYE 2019, the Target Balance is calculated by the formula below, where CY represent the Current Year (for which the transfer is being calculated), CY-1 is the prior year, CY-2 is 2 years prior, etc.:
[line 2: CY]*(4/5) + [line 2: CY-1]*(3/5) + [line 2: CY-2]*(2/5) +[line 2: CY-3]*(1/5); rounded to the nearest dollar. The FYE 2014 figure is the actual target balance under the original section 6.08E.
- (12) Cumulative Appropriations Since FYE 2010 = prior year line 12 + current year line 2.
- (13) Cumulative Expenditures Since FYE 2010 = prior year line 13 + current year line 3. Does not include encumbrances.
- (14) Total Remaining Cumulative Appropriation (encumbered and unencumbered) = line 12 + line 13.
- (15) Amount encumbered as of June 30 = line 6. Encumbrances are not cumulative.
- (16) Unencumbered Remaining Cumulative Appropriation = line 14 + line 15.
- (17) Lesser of Target Balance (line 11) and Unencumbered Remaining Cumulative Appropriation (line 16). Used in formulas in line 19 (Section E) and line 21 (Section F), as applicable.
- (18) If Yes, go to line 19 for calculation of the excess unencumbered balance. If No, go to line 20.
- (19) Calculation of Excess Balance: If line 18 = Yes, then line 7 minus line 17. The result appears as a negative amount on line 8.
- (20) If yes, then go to lines 21-23 for calculation of charge to Wholesale Customers.
- (21) Initial step in calculating charge: If line 20 = Yes, then line 17 minus line 7; go to line 22.
- (22) If the result on line 21 is greater than \$4,000,000, then the charge to the Wholesale Customers is capped at \$4,000,000.
- (23) Equal to the lesser of line 21 or \$4,000,000. The result appears as a positive number on line 8.

**Amendment 6:
WSIP Completion Date
(Sec. 3.09; 4.07)**

3.09 Completion of WSIP

San Francisco will complete construction of the physical facilities in the WSIP by December ~~31, 2015~~30, 2021. The SFPUC agrees to provide for full public review and comment by local and state interests of any proposed changes that delay previously adopted project completion dates or that delete projects. The SFPUC shall meet and consult with BAWSCA before proposing to the Commission any changes in the scope of WSIP projects which reduce their capacity or ability to achieve adopted ~~levels~~Level of ~~service goals~~Service Goals and Objectives. The SFPUC retains discretion to determine whether to approve the physical facilities in the WSIP until after it completes the CEQA process as set forth in Section 4.07.

4.07 Retained Discretion of SFPUC and Wholesale Customers

A. This Agreement contemplates discretionary actions that the SFPUC and the Wholesale Customers may choose to take in the future that could result in physical changes to the environment ("Discretionary Actions"). -The Discretionary Actions include decisions to:

1. Develop additional or alternate water resources by the SFPUC or one or more Wholesale Customers;
2. Implement the physical facilities comprising the WSIP by December-~~31, 2015~~; 30, 2021;
3. Approve wheeling proposals by Wholesale Customers;
4. Approve new wholesale customers and water exchange or cost sharing agreements with other water suppliers;
5. Provide additional water to San Jose and/or Santa Clara;
6. Offer permanent status to San Jose and/or Santa Clara;
7. Reduce or terminate supply to San Jose and/or Santa Clara;
8. Provide additional water to Wholesale Customers in excess of the Supply Assurance to meet their projected future water demands; ~~and~~
9. Offer a corresponding volumetric increase in the Supply Assurance. ~~;~~ and
10. Implement the Hetch Hetchy Water and Power projects listed in Attachment R-2.

The Discretionary Actions may require the SFPUC or Wholesale Customers to prepare environmental documents in accordance with CEQA prior to the SFPUC or the Wholesale Customers determining whether to proceed with any of the Discretionary Actions. -Accordingly, and notwithstanding any provision of this Agreement to the contrary, nothing in this Agreement commits the SFPUC or the Wholesale Customers to approve or carry out any Discretionary Actions that are subject to CEQA. -Furthermore, the SFPUC's or Wholesale Customers' decisions to approve any of these Discretionary Actions are subject to the requirement that San Francisco and each Wholesale Customer, as either a "Lead Agency" (as defined in Section 21067 of CEQA and Section 15367 of the CEQA Guidelines) or a "Responsible Agency" (as defined in Section 21069 of CEQA and Section 15381 of the CEQA Guidelines) shall have completed any CEQA-required environmental review prior to approving a proposed Discretionary Action.

B. In considering any proposed Discretionary Actions, the SFPUC and Wholesale Customers retain absolute discretion to: (1) make such modifications to any of the proposed Discretionary Actions as may be necessary to mitigate significant environmental impacts; (2) select feasible alternatives to the proposed Discretionary Actions that avoid significant adverse impacts; (3) require the implementation of specific measures to mitigate the significant adverse environmental impacts as part of the decision to approve the Discretionary Actions; (4) balance the benefits of the proposed Discretionary Actions against any significant environmental impacts before taking final actions to approve the proposed Discretionary Actions if such significant impacts cannot otherwise be avoided; or (5) determine not to proceed with the proposed Discretionary Actions.

**Amendment 7:
Regional Groundwater Storage
and Recover Project (RGSRP)
(Sec. 3.17)**

3.17 Westside Basin ~~Conjunctive Use Program~~ Groundwater Storage and Recovery Project

~~Subject to completion of necessary CEQA review as provided in Section 4.07~~ In August 2014, the SFPUC ~~may~~ approved a WSIP project called the Groundwater Storage and Recovery Project ("Project"), which authorized the SFPUC to enter into an agreement governing the operation of the Project with the ~~cities~~ Participating Pumpers entitled "Agreement for Groundwater Storage and Recovery from the Southern Portion of the Westside Groundwater Basin by and among the San Francisco Public Utilities Commission, the City of Daly City and, the City of San Bruno, and the California Water Service Company, South San Francisco Service Area" ("Participating Pumpers") ~~governing the operation of the South Westside Basin Conjunctive Use Program ("Program"), a WSIP Project.~~ "Project Operating Agreement", which became effective on December 16, 2014. The ~~Program would produce~~ Project produces Regional benefits for all customers of the Regional Water System by making use of available groundwater storage capacity in the Southern portion of the Westside Basin through the supply of additional surface water ("In Lieu Water") to the Participating Pumpers from the Regional Water System, in exchange for a corresponding reduction in groundwater pumping at existing wells owned by the Participating Pumpers. The new groundwater supply that ~~would accrue~~ accrues to storage as a result of delivery of In Lieu Water ~~would then~~ will be recovered from the SFPUC ~~basin storage account~~ Storage Account during water shortages using new ~~SFPUC Regional Program wells~~ Project Facilities or Shared Facilities operated by the Participating Pumpers and the SFPUC. ~~Program~~ Project mitigation capital costs and annual Project operations and maintenance expenses and water supplies ~~are expected to~~ shall be allocated as follows:

A. All In Lieu Water delivered to the Participating Pumpers shall be (1) temporary and interruptible in nature and (2) at the sole discretion of the SFPUC based on the total volume of water available to the Regional Water System.

B. All In Lieu Water delivered to the Participating Pumpers shall be considered a delivery of water to storage and shall not be construed to affect or increase the Individual Supply Guarantees of these ~~wholesale customers~~ Wholesale Customers or to otherwise entitle them to any claim of water in excess of their Individual Supply Guarantees ~~or their Interim Supply Allocations. Furthermore, Environmental Enhancement Surcharges authorized under Section 4.04 will not be applied by the SFPUC to any quantity of In Lieu Water that is delivered~~

~~to the Participating Pumps, but will instead be based solely on Participating Pumper water deliveries in excess of their respective Interim Supply Allocations.~~

B-C. In the event that it is necessary to reduce the Participating Pumps' aggregate designated quantity of groundwater production allocation pursuant to Section 4.7 of the Project Operating Agreement, the SFPUC may supply an annual maximum of up to 500 acre feet of Participating Pumper Replacement Water from the Regional Water System at a price comparable to the Participating Pumps' then-current groundwater cost, as may be adjusted annually as provided for in Section 4.7 of the Project Operating Agreement. Each of the Participating Pumps may elect to take delivery of its share of Participating Pumper Replacement Water either as interruptible surface water deliveries from the Regional Water System or as a transfer of storage credits from the SFPUC Storage Account. All revenue received from such water sales or transfers shall be considered revenue related to the sale of water and allocated between Retail Customers and Wholesale Customers on the basis of Proportional Water Use. All volumes of Participating Pumper Replacement Water delivered shall not be construed to affect or increase the Individual Supply Guarantees of these Wholesale Customers or to otherwise entitle them to any claim of water in excess of their Individual Supply Guarantees.

G-D. Any operation and maintenance expenses incurred by the Participating Pumps and the SFPUC that are related to the operation of ~~Regional Program wells~~Project Facilities and ~~related assets~~Shared Facilities for Project purposes shall be included as Regional pumping expenses under Section 5.05.B of this Agreement and included as part of the Wholesale Revenue Requirement. For rate setting purposes, estimated ~~Regional Program~~Project operation and maintenance expenses shall be used as set forth in Section 6.01- of this Agreement. Operation and maintenance expenses associated with the Participating Pumps' ~~existing wells~~Existing Facilities that do not provide Regional benefits shall not be included in the Wholesale Revenue Requirement. On a case-by-case basis, the SFPUC may include ~~Participating Pumper existing well~~ operation and maintenance expenses associated operation of the Participating Pumps' Existing Facilities in the Wholesale Revenue Requirement provided that such expenses (1) are solely attributable to ~~Regional Program~~Project operations for a Regional benefit and (2) are not caused by the Participating Pumper's failure to operate and maintain its existing wells in a reasonable and prudent manner consistent with water utility industry standards. The SFPUC shall provide the Wholesale Customers with copies of Project

Operation and Maintenance Expenses documentation provided by the Participating Pumps under Section 9.2 of the Project Operating Agreement.

E. The Project Mitigation, Monitoring and Reporting Program (“MMRP”) adopted by the SFPUC included mitigation measure HY-6 to prevent well interference impacts to the Irrigation Well Owners. In mitigation measure HY-6, the SFPUC agreed to provide standby supplies of Irrigation Well Owner Replacement Water from the Regional Water System, to alter Project operations, and implement other actions (e.g., well replacement) to avoid well interference impacts that require the consent of the Irrigation Well Owners. The SFPUC’s Project mitigation and other obligations to the Irrigation Well Owners are memorialized in substantially identical “Groundwater Well Monitoring and Mitigation Agreements” with one or more of the Irrigation Well Owners. For purposes of this Agreement, water supplies, and the capital costs and operations and maintenance expenses associated with providing Irrigation Well Owner Replacement Water and implementing other mitigation actions identified in the Project MMRP, shall be allocated as follows:

1. Irrigation Well Owner Replacement Water shall be limited to a cumulative maximum of 1.76 mgd and shall be delivered only in volumes necessary for mitigating well interference impacts as provided in the Project MMRP. The supply of Irrigation Well Owner Replacement Water by the SFPUC shall not be considered a new water supply commitment to Retail Customers or Wholesale Customers under Section 3.13 of this Agreement. The annual volume of Irrigation Well Owner Replacement Water supplied shall be metered and allocated as water from the Regional Water System during shortages between Retail Customers and Wholesale Customers in proportion to and consistent with the provisions of the Shortage Allocation Plan. All revenue received from Irrigation Well Owners for metered deliveries of Irrigation Well Owner Replacement Water shall be considered revenue related to the sale of water and allocated between Retail Customers and Wholesale Customers on the basis of Proportional Water Use.

2. All Project capital costs incurred by the SFPUC in complying with the mitigation measures in the Project MMRP shall be considered Regional capital costs under Section 5.04 of this Agreement.

3. Operations and maintenance expenses incurred by the SFPUC in maintaining Project mitigation assets described in the Project MMRP shall be considered

Regional transmission and distribution expenses under Section 5.05.D of this Agreement. Well pumping expenses that are required to be paid by the SFPUC in the agreements with the Irrigation Well Owners shall be considered Regional pumping expenses under Section 5.05.B of this Agreement.

4. Any wheeling charges imposed by California Water Service Company for delivery of Irrigation Well Owner Replacement Water shall be considered Regional transmission and distribution expenses under Section 5.05.D of this Agreement.

D.F. The SFPUC will audit (1) operation and maintenance expenses submitted by the Participating Pumpers, and (2) well pumping expenses submitted by the Irrigation Well Owners, for reimbursement to confirm that such costs were incurred, respectively, as a result of (1) operating ~~Regional Program wells and related assets~~ Project Facilities and Shared Facilities for a Regional benefit and (2) complying with mitigation obligations in the Project MMRP. Costs associated with the use of ~~Program facilities~~ Project Facilities or Shared Facilities for Direct Retail or Direct Wholesale purposes, or that do not otherwise provide Regional benefits, shall not be included in the Wholesale Revenue Requirement. The SFPUC is responsible for resolving disputes with the Participating Pumpers and Irrigation Well Owners concerning expense allocations. ~~Program~~ Project expense documentation, including documentation of negotiation and settlement of disputed costs, will be available for review during the Compliance Audit described in Section 7.04- of this Agreement. The Wholesale Customers may dispute the SFPUC's resolution of expense allocations through the arbitration provisions in Section 8.01 of this Agreement.

E.G. The SFPUC may direct the Participating Pumpers to recover water from the SFPUC ~~basin storage account~~ Storage Account for any type of shortage referenced in Section 3.11- of this Agreement. Water recovered from the SFPUC ~~basin storage account~~ Storage Account using ~~Regional Program wells~~ Project Facilities and Shared Facilities may be used for (1) the benefit of all Regional Water System customers; (2) Retail Customers; or (3) one or more of the Participating Pumpers. The Wholesale Revenue Requirement shall only include operation and maintenance expenses incurred due to the operation of ~~Program wells for Regional benefits~~ Project Facilities and Shared Facilities for Regional benefits, including expenses incurred due to compliance with mitigation measures in the Project MMRP.

~~F.H.~~ All water recovered during shortages caused by drought from the SFPUC ~~basin storage account~~Storage Account for Regional benefit, by the Participating Pumpers and by the SFPUC for delivery to Retail and Wholesale Customers ~~during Shortages caused by Drought~~, shall be used to free up a comparable volume of surface water from the Regional Water System for allocation in accordance with the Tier 1 Shortage Plan.

~~G.I.~~ If the ~~Program~~Project is terminated for any reason, including breach of the ~~Program agreement~~Project Operating Agreement by one or more of the Participating Pumpers or the SFPUC, a force majeure event as specifically defined by the Project Operating Agreement, or due to regulatory action or legal action, then:

1. Any water remaining in the SFPUC ~~Regional storage account~~Storage Account shall be used for the benefit of all customers of the Regional Water System;
2. Outstanding eligible operation and maintenance expenses, including costs incurred during recovery of remaining stored water, will be allocated as provided in this ~~section~~Section 3.17 of this Agreement; and
3. ~~The~~ If Project Facilities are no longer capable of being used for a Regional benefit, the Wholesale Customers will be credited with their share of proceeds from disposition of ~~Program facilities~~Project Facilities or reimbursed their share of such capital costs for any ~~Program facilities~~Project Facilities which are retained by the SFPUC for Direct Retail benefit and not used for the benefit of the Wholesale Customers, on the basis of (a) original cost less depreciation and outstanding related Indebtedness or (b) original cost less accumulated depreciation for revenue funded ~~Regional Program facilities~~Project Facilities.

J. In the event that a Participating Pumper establishes the occurrence of a force majeure event as defined in the Project Operating Agreement, the SFPUC may enter into negotiations with the Participating Pumper to take over the operation of the portion of any Shared Facilities used for Project purposes for continued Regional use. If the SFPUC cannot reach agreement regarding the continued use of Shared Facilities for ongoing Regional benefit, the Participating Pumper shall reimburse the SFPUC and the Wholesale Customers for their respective shares of previously incurred Project capital costs used to upgrade the Shared Facilities on the basis of (a) original cost less depreciation and outstanding related Indebtedness or (b) original cost less accumulated depreciation for revenue funded Shared

Facilities. In the event that the SFPUC seeks to take over the operation of Shared Facilities for Direct Retail use, or one or more Wholesale Customers seeks to negotiate with a Participating Pumper to take over the operation of Shared Facilities for individual use or Direct Wholesale use, the party or parties benefiting from such transfer of Shared Facilities shall reimburse the other parties to this Agreement with their respective shares of previously incurred Project capital costs on the basis described in the previous sentence, or as the parties may otherwise agree.

AMENDED AND RESTATED
WATER SUPPLY AGREEMENT
between
THE CITY AND COUNTY OF SAN FRANCISCO
and
WHOLESALE CUSTOMERS
in
ALAMEDA COUNTY, SAN MATEO COUNTY AND
SANTA CLARA COUNTY

~~JULY 2009~~

NOVEMBER 2018

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AMENDED AND RESTATED
WHOLESALE WATER SUPPLY AGREEMENT

Introductory Statement

Both San Francisco, as the Regional Water System owner and operator, and its Wholesale Customers share a commitment to the Regional Water System providing a reliable supply of high quality water at a fair price, and achieving these goals in an environmentally sustainable manner.

Article 1. Parties, Effective Date, and Defined Terms

1.01. Definitions

The capitalized terms used in this Agreement shall have the meanings set forth in Attachment A.

1.02. Parties

The parties to this Agreement are the City and County of San Francisco and such of the following entities (all of which purchase water from San Francisco) as have executed this Agreement:

Alameda County Water District
California Water Service Company
City of Brisbane
City of Burlingame
City of Daly City
City of East Palo Alto
City of Hayward
City of Menlo Park
City of Millbrae
City of Milpitas
City of Mountain View
City of Palo Alto

City of Redwood City
City of San Bruno
City of San José
City of Santa Clara
City of Sunnyvale
Coastside County Water District
Estero Municipal Improvement District
Guadalupe Valley Municipal Improvement District
Mid-Peninsula Water District
North Coast County Water District
Purissima Hills Water District
~~Skyline County Water District~~
Stanford University
Town of Hillsborough
Westborough Water District

The entities listed above which have executed this Agreement shall be collectively referred to as the "Wholesale Customers."

1.03. Effective Date

A. Except as provided in subsection C, this Agreement shall become effective only when it has been approved by San Francisco and by each of the entities listed in Section 1.02 and when San Francisco and each of those entities (except for the City of Hayward) have entered into an Individual Water Sales Contract as provided in Section 9.01.

B. If San Francisco and all of the entities listed in Section 1.02 approve this Agreement and (except for the City of Hayward) an Individual Water Sales Contract on or before July 1, 2009, the effective date shall be July 1, 2009. If San Francisco and all of the entities listed in Section 1.02 approve this Agreement and (except for the City of Hayward) an Individual Water Sales Contract after July 1, 2009 but on or before September 1, 2009, the effective date shall be the date on which the last entity listed in Section 1.02 approves this Agreement and, if required, an Individual Water Sales Contract.

C. If by September 1, 2009 this Agreement has been approved by fewer than all of the entities listed in Section 1.02 or fewer than all of such entities (other than the City of Hayward) have entered into an Individual Water Sales Contract, but it has been approved by

entities representing at least 75% in number and 75% of the water purchased from SFPUC by all listed agencies during FY 2007-08 (i.e., 173.39 MGD), then San Francisco shall have the option to waive the requirement in subsection A that all listed agencies have approved this Agreement and an Individual Water Sales Contract as a condition precedent to this Agreement and any Individual Water Sales Contract becoming effective. San Francisco shall have 60 days from September 1, 2009 (i.e., until October 31, 2009) within which to decide whether or not to waive the condition. If San Francisco decides to waive the condition, those listed agencies that have approved this Agreement and Individual Water Sales Contract before October 31, 2009 will be bound thereby and this Agreement and Individual Water Sales Contracts will become effective as to them, as of the date of San Francisco's waiver. For purposes of determining whether listed agencies that have approved this Agreement represent at least 75% of the water purchased during FY 2007-08, the quantity of water attributable to each listed entity shall be as set forth on Attachment B.

D. The provisions of Article 9 that apply to fewer than all Wholesale Customers (i.e., Sections 9.02 - 9.07) shall not become effective unless San Francisco and the entity to which the section applies have each approved (1) this Agreement, and (2) the underlying Individual Water Sales Contract, unless otherwise provided in Article 9. This provision does not affect the continued enforceability of provisions in those sections that derive from independently enforceable judgments, orders or agreements.

Article 2. Term; Amendments During Term

2.01. Term

The term ("Term") of this Agreement shall be twenty five (25) years. The Term shall begin on July 1, 2009, regardless of whether the Effective Date is before or after that date, and shall end on June 30, 2034. Except as provided in Article 9, the term of all Individual Water Sales Contracts shall also begin on July 1, 2009 and end on June 30, 2034.

2.02. Extension and Renewal of Term

A. In December 2031, the SFPUC may provide written notice to the Wholesale Customers that it is willing to extend the Term of this Agreement. Between January 1, 2032 and June 30, 2032, any Wholesale Customer may accept the SFPUC's offer to extend the Term by providing a written notice of extension to the SFPUC. If such notices of extension are received from Wholesale Customers representing at least two-thirds in number as of June 30, 2032 and seventy five percent (75%) of the quantity of water delivered by the SFPUC to all Wholesale Customers during fiscal year 2030-31, the Term shall be extended for another five (5) years ("First Extension Term"), through June 30, 2039. No party to this Agreement which does not wish to remain a party during the Extension Term shall be compelled to do so by the actions of other parties under this section.

B. In December 2036, the SFPUC may provide written notice to the Wholesale Customers that it is willing to extend the Term of this Agreement. Between January 1, 2037 and June 30, 2037, any Wholesale Customer may accept the SFPUC's offer to extend the Term by providing a written notice of extension to the SFPUC. If such notices of extension are received from Wholesale Customers representing at least two-thirds in number as of June 30, 2037 and seventy five percent (75%) of the quantity of water delivered by the SFPUC to all Wholesale Customers during fiscal year 2035-36, the Term shall be extended for another five (5) years ("Second Extension Term"), through June 30, 2044. No party to this Agreement which does not wish to remain a party during the Extension Term shall be compelled to do so by the actions of other parties under this section.

C. After the expiration of the Term, and, if applicable, the Extension Terms, this Agreement may be renewed by mutual consent of the parties, subject to any modifications thereof which may be determined at that time. If fewer than all of the parties desire to renew this Agreement beyond its Term, with or without modifications, the SFPUC and the Wholesale

Customers who wish to extend the Agreement shall be free to do so, provided that no party to this Agreement which does not wish to become a party to such a renewed Agreement shall be compelled to do so by the actions of other parties under this section.

2.03. Amendments

A. Amendments to Agreement: General

1. This Agreement may be amended with the written consent of all parties.
2. This Agreement may also be amended with the written consent of San Francisco and of Wholesale Customers representing at least two-thirds in number (i.e., 18 as of July 1, 2009) and seventy five percent (75%) of the quantity of water delivered by San Francisco to all Wholesale Customers during the fiscal year immediately preceding the amendment.
3. No amendment which adversely affects a Fundamental Right of a Wholesale Customer may be made without the written consent of that customer. Amendments to Article 5 which merely affect the allocation of costs between City Retail customers on the one hand and Wholesale Customers collectively on the other, and amendments to Articles 6 and 7 which merely alter budgetary, accounting and auditing procedures do not affect Fundamental Rights and may be made with the consent of parties meeting the requirements of Section 2.03.A.2.
4. When an amendment has been approved by San Francisco and the number of Wholesale Customers required in Section 2.03.A.2, San Francisco shall notify each of the Wholesale Customers in writing of the amendment's adoption. Notwithstanding any provision of law or this Agreement, any Wholesale Customer that claims that the amendment violates its Fundamental Rights under Section 2.03.A.3, shall have 30 days from the date San Francisco delivers the notice of its adoption in which to challenge the amendment's validity through a judicial action. If no such action is filed within 30 days, the amendment shall be finally and conclusively deemed to have been adopted in compliance with this section.

B. Amendments to Article 9

1. Notwithstanding the provisions of Sections 2.03.A.2 and 2.03.A.3, any provision of Article 9 which applies only to an individual Wholesale Customer may be amended with the written concurrence of San Francisco and the Wholesale Customer to which it applies;

provided that the amendment will not, directly or indirectly, adversely affect the Fundamental Rights of the other Wholesale Customers.

2. Before making any such amendment effective, San Francisco shall give notice, with a copy of the text of the proposed amendment, to all other Wholesale Customers. The Wholesale Customers shall have 30 days in which to object to the amendment on the ground that it is not permissible under this subsection. If no such objection is received by San Francisco, the proposed amendment shall become effective. If one or more Wholesale Customers object to the amendment, San Francisco, the individual Wholesale Customer with which San Francisco intends to effect the amendment, and the Wholesale Customer(s) which lodged the objection shall meet to discuss the matter.

3. If the dispute cannot be resolved and San Francisco and the Wholesale Customer involved elect to proceed with the amendment, either San Francisco or the Wholesale Customer shall give written notice of such election to each Wholesale Customer that has objected. Any Wholesale Customer that has objected to such amendment shall have 30 days from receipt of this notice within which to commence an action challenging the validity of such amendment, and such amendment shall be deemed effective as of the end of this 30-day period unless restrained by order of court.

C. **Amendments to Attachments**. The following attachments may be amended with the written concurrence of San Francisco and BAWSCA on behalf of the Wholesale Customers:

<u>Attachment</u>	<u>Name</u>
G	January 2006 Water Quality Notification and Communications Plan
J	Water Use Measurement and Tabulation
L-1	Identification of WSIP Projects as Regional/Retail
N-1	Balancing Account/Rate Setting Calculation Table
N-2	Wholesale Revenue Requirement Schedules
N-3	Schedule of Projected Water Sales, Wholesale Revenue Requirement and Wholesale Rates
P	Management Representation Letter

R Classification of Existing System Assets (subject to Section 5.11)

Amendments to these attachments shall be approved on behalf of San Francisco by the Commission and on behalf of BAWSCA by its Board of Directors, unless the Commission by resolution delegates such authority to the General Manager of the SFPUC or the Board of Directors by resolution delegates such authority to the General Manager/CEO of BAWSCA.

D. **Amendments to Individual Water Sales Contracts**. Individual Water Sales Contracts described in Section 9.01 may be amended with the written concurrence of San Francisco and the Wholesale Customer which is a party to that Individual Water Sales Contract; provided that the amendment is not inconsistent with this Agreement or in derogation of the Fundamental Rights of other Wholesale Customers under this Agreement.

Article 3. Water Supply

3.01. Supply Assurance

A. San Francisco agrees to deliver water to the Wholesale Customers up to the amount of the Supply Assurance. The Supply Assurance is for the benefit of the entities listed in Section 1.02, irrespective of whether or not they have executed this Agreement. Water delivered by San Francisco to Retail Customers shall not be included in the Supply Assurance. Until December 31, 2018, the foregoing commitment is subject to Article 4.

B. Both the Supply Assurance and the Individual Supply Guarantees identified in Section 3.02 are expressed in terms of daily deliveries on an annual average basis and do not themselves constitute a guarantee by San Francisco to meet peak daily or hourly demands of the Wholesale Customers, irrespective of what those peak demands may be. The parties acknowledge, however, that the Regional Water System has been designed and constructed to meet peak daily and hourly demands and that its capacity to do so has not yet been reached. San Francisco agrees to operate the Regional Water System to meet peak requirements of the Wholesale Customers to the extent possible without adversely affecting its ability to meet peak demands of Retail Customers. This Agreement shall not preclude San Francisco from undertaking to meet specific peak demand requirements of individual Wholesale Customers in their Individual Water Sales Contracts.

C. The Supply Assurance is perpetual and shall survive the expiration or earlier termination of this Agreement. Similarly, the Individual Supply Guarantees identified in Section 3.02 and/or the Individual Water Sales Contracts are perpetual and shall survive the expiration or earlier termination of this Agreement or the Individual Water Sales Contracts.

D. Notwithstanding the Supply Assurance established by this section, the Individual Supply Guarantees identified in Section 3.02 and the Individual Water Sales Contracts, the amount of water made available by San Francisco to the Wholesale Customers is subject to reduction, to the extent and for the period made necessary by reason of water shortage, Drought, Emergencies, or by malfunctioning or rehabilitation of facilities in the Regional Water System. Any such reduction will be implemented in accordance with Section 3.11. The amount of water made available to the Wholesale Customers may not be reduced, however, merely because the water recycling and groundwater projects which the WSIP envisions to be constructed within San Francisco, or the conservation programs intended to reduce water use

by Retail Customers that are included in the WSIP, do not generate the yield or savings (10 MGD combined) anticipated by San Francisco.

3.02. Allocation of Supply Assurance

A. Pursuant to Section 7.02 of the 1984 Agreement, a portion of the Supply Assurance has been allocated among 24 of the ~~27~~²⁶ Wholesale Customers. These Individual Supply Guarantees are also expressed in terms of annual average metered deliveries of millions of gallons per day and are listed in Attachment C.

B. Three Wholesale Customers do not have Individual Supply Guarantees. The cities of San Jose and Santa Clara do not have an Individual Supply Guarantees because San Francisco has provided water to them on a temporary and interruptible basis as described in Sections 4.05 and 9.06. The City of Hayward does not have an Individual Supply Guarantee because of the terms of the 1962 contract between it and San Francisco, as further described in Section 9.03.

C. If the total amount of water delivered by San Francisco to Hayward and to the Wholesale Customers that are listed on Attachment C exceeds 184 MGD over a period of three consecutive fiscal years (i.e., July 1 through June 30), then the Individual Supply Guarantees of those Wholesale Customers listed on Attachment C shall be reduced pro rata so that their combined entitlement and the sustained use by Hayward does not exceed 184 MGD. The procedure for calculating the pro rata reduction in Individual Supply Guarantees is set out in Attachment D.

1. The provisions of this subsection C are not in derogation of the reservation of claims to water in excess of the Supply Assurance which are contained in Section 8.07. Nor do they constitute an acknowledgement by Wholesale Customers other than Hayward that San Francisco is obligated or entitled to reduce their Individual Supply Guarantees in the circumstances described herein. The provisions of this subsection C shall, however, be operative unless and until a court determines that its provisions violate rights of the Wholesale Customers derived independently of this Agreement.

2. The foregoing paragraph is not intended to and shall not constitute a contractual commitment on the part of San Francisco to furnish more water than the Supply Assurance to the Wholesale Customers or a concession by San Francisco that the provisions of this subsection violate any rights of the Wholesale Customers.

D. Notwithstanding the reservation of claims contained in Sections 3.02.C and 8.07, it shall be the responsibility of each Wholesale Customer to limit its purchases of water from San Francisco so as to remain within its Individual Supply Guarantee. San Francisco shall not be liable to any Wholesale Customer or be obligated to supply more water to any Wholesale Customer individually or to the Wholesale Customers collectively than the amount to which it or they are otherwise entitled under this Agreement due to the use by any Wholesale Customer of more water than the amount to which it is entitled under this Agreement.

E. San Francisco shall install such new connections between the Regional Water System and the distribution system of any Wholesale Customer that are necessary to deliver the quantities of water to which the Wholesale Customer is entitled under this Agreement. San Francisco shall have the right to determine the location of such connections, in light of the need to maintain the structural integrity of the Regional Water System and, where applicable, the need to limit peaking directly off of Regional Water System pipelines by a Wholesale Customer's individual retail customers, the need to ensure that a Wholesale Customer's individual retail customers have access to alternative sources of water in the event of a reduction in San Francisco's ability to provide them with water, and other factors which may affect the desirability or undesirability of a particular location. San Francisco's decisions regarding the location of new connections and the location, size and type of any new meters shall not be reviewable by a court except for an abuse of discretion or failure to provide a Wholesale Customer with connections and meters adequate to deliver the quantity of water to which it is entitled under this Agreement.

3.03. Wholesale Customer Service Areas

A. Each of the Individual Water Sales Contracts described in Section 9.01 will contain, as an exhibit, a map of the Wholesale Customer's service area. A Wholesale Customer may not deliver water furnished to it by San Francisco outside the boundary of its service area without the prior written consent of San Francisco, except for deliveries to another Wholesale Customer on an emergency and temporary basis pursuant to Section 3.07.B.

B. If a Wholesale Customer wishes to expand its service area, it shall request San Francisco's consent to the expansion and provide information reasonably requested by San Francisco about the amount of water projected to be purchased from San Francisco to meet demand within the area proposed to be added to the service area.

C. San Francisco may refuse a Wholesale Customer's request to expand its service area on any reasonable basis. If San Francisco denies a request by a Wholesale Customer to expand its service area, or fails to act on the request for six months after it has been submitted, the Wholesale Customer may challenge San Francisco's denial or delay in court. Such a challenge may be based on the Wholesale Customers' claim, reserved in Section 8.07, that San Francisco is obligated under federal or state law to furnish water, included within its Individual Supply Guarantee, to it for delivery outside its then-existing service area and that it is entitled to enlarge its service area to supply water to such customers. San Francisco reserves the right to contest any such claim on any applicable ground. This subsection does not apply to San Jose and Santa Clara, whose maximum service areas are fixed pursuant to Section 9.06.

D. This section will not prevent San Francisco and any Wholesale Customer, other than San Jose and Santa Clara, from agreeing in an Individual Water Sales Contract or an amendment thereto that:

- the Wholesale Customer may expand its service area without subsequent San Francisco approval to a definitive size but no larger, or
- the Wholesale Customer will not expand its service area beyond its present limits without San Francisco approval

and waiving the provisions of this section with respect to any additional expansion.

E. If two or more Wholesale Customers agree to adjust the boundaries of their respective service areas so that one assumes an obligation to serve customers in an area that was previously within the service area of another Wholesale Customer, they may also correspondingly adjust their respective Individual Supply Guarantees. Such adjustments are not subject to the requirements of Section 3.04 and shall require only the consent of San Francisco and the Wholesale Customers involved, so long as the Supply Assurance and the Individual Supply Guarantees of other Wholesale Customers are not affected. Service area boundary adjustments that would result in the expansion of any California Water Service Company service areas are subject to the requirements of Section 9.02.D. Any adjustment of service area boundaries that would result in the supply of water in violation of this Agreement or the Act shall be void.

F. San Francisco acknowledges that it has heretofore consented in writing to deliveries of water by individual Wholesale Customers outside their service area boundaries and

agrees that nothing in this Agreement is intended to affect such prior authorizations, which remain in full force and effect according to their terms. Such authorizations shall be identified in the Individual Water Sales Contracts.

3.04. Permanent Transfers of Individual Supply Guarantees

A. A Wholesale Customer that has an Individual Supply Guarantee may transfer a portion of it to one or more other Wholesale Customers, as provided in this section.

B. Transfers of a portion of an Individual Supply Guarantee must be permanent. The minimum quantity that may be transferred is 1/10th of a MGD.

C. Transfers of portions of Individual Supply Guarantees are subject to approval by the SFPUC. SFPUC review is limited to determining (1) whether a proposed transfer complies with the Act, and (2) whether the affected facilities in the Regional Water System have sufficient capacity to accommodate delivery of the increased amount of water to the proposed transferee.

D. The participants in a proposed transfer shall provide notice to the SFPUC specifying the amount of the Individual Supply Guarantee proposed to be transferred, the proposed effective date of the transfer, which shall not be less than 60 days after the notice is submitted to the SFPUC, and the Individual Supply Guarantees of both participants resulting from the transfer. The SFPUC may require additional information reasonably necessary to evaluate the operational impacts of the transfer. The SFPUC will not unreasonably withhold or delay its approval; if the SFPUC does not act on the notice within 60 days, the transfer will be deemed to have been approved.

E. Within 30 days after the transfer has become effective, both the transferor and the transferee will provide notice to the SFPUC and BAWSCA. By September 30 of each year during the Term, the SFPUC and BAWSCA will prepare an updated Attachment C to reflect transfers occurring during the immediately preceding fiscal year.

F. Amounts transferred will remain subject to pro rata reduction under the circumstances described in Section 3.02.C and according to the formula set forth in Attachment D.

3.05. Restrictions on Resale

Each Wholesale Customer agrees that it will not sell any water purchased from San Francisco to a private party for resale by such private party to others in violation of the Act.

Each Wholesale Customer also agrees that it will not sell water purchased from San Francisco to another Wholesale Customer without prior written approval of the SFPUC, except on a temporary and emergency basis as permitted in Section 3.07.B.2. The SFPUC agrees that it will not unreasonably withhold its consent to a request by a Wholesale Customer to deliver water to another Wholesale Customer for resale.

3.06. Conservation; Use of Local Sources; Water Management Charge

A. In order to support the continuation and expansion of water conservation programs, water recycling, and development of alternative supplies within the Wholesale Customers' service areas, the SFPUC will, if requested by BAWSCA, include the Water Management Charge in water bills sent to Wholesale Customers. The SFPUC will deliver all Water Management Charge revenue to BAWSCA monthly and shall deliver an annual accounting of Water Management Charge revenue to BAWSCA within 90 days after the end of each fiscal year. The SFPUC's obligations to collect and deliver Water Management Charge revenue to BAWSCA under this subsection are conditioned on BAWSCA's delivery to the SFPUC of an annual report describing the projects and programs on which Water Management Charge funds received from the SFPUC during the previous fiscal year were expended and an estimate of the amount of water savings attributable to conservation programs and of the yield of alternative supplies developed. This report will be due within 180 days after the end of each fiscal year during which Water Management Charge funds were received.

B. The SFPUC will work together with BAWSCA to explore ways to support water conservation programs, recycling projects, and conjunctive use alternatives outside the Wholesale Service Area, in particular projects and programs that have the potential to increase both flows in the lower Tuolumne River (downstream of New Don Pedro Reservoir) and water deliveries to the Regional Water System.

C. Each Wholesale Customer shall take all actions within its legal authority related to water conservation that are necessary to insure that the SFPUC (a) remains eligible for (i) state and federal grants and (ii) access to the Drought Water Bank operated by the California Department of Water Resources, as well as other Drought-related water purchase or transfer

programs, and (b) complies with future legal requirements imposed on the Regional Water System by the federal government, the State, or any other third party as conditions for receiving funding or water supply.

D. San Francisco and each Wholesale Customer agree that they will diligently apply their best efforts to use both surface water and groundwater sources located within their respective service areas and available recycled water to the maximum feasible extent, taking into account the environmental impacts, the public health effects and the effects on supply reliability of such use, as well as the cost of developing such sources.

3.07. Restrictions on Purchases of Water from Others; Minimum Annual Purchases

A. Each Wholesale Customer (except for Alameda County Water District and the cities of Milpitas, Mountain View and Sunnyvale) agrees that it will not contract for, purchase or receive, with or without compensation, directly or indirectly, from any person, corporation, governmental agency or other entity, any water for delivery or use within its service area without the prior written consent of San Francisco.

B. The prohibition in subsection A does not apply to:

1. recycled water;
2. water necessary on an emergency and temporary basis, provided that the Wholesale Customer promptly gives San Francisco notice of the nature of the emergency, the amount of water that has been or is to be purchased, and the expected duration of the emergency; or
3. water in excess of a Wholesale Customer's Individual Supply Guarantee.

C. Alameda County Water District and the cities of Milpitas, Mountain View and Sunnyvale may purchase water from sources other than San Francisco, provided that San Francisco shall require that each purchase a minimum annual quantity of water from San Francisco. These minimum quantities are set out in Attachment E and shall also be included in the Individual Water Sales Contracts between San Francisco and each of these four Wholesale Customers. The minimum purchase requirement in these Individual Water Sales Contracts will be waived during a Drought or other period of water shortage if the water San Francisco makes available to these Wholesale Customers is less than its minimum purchase quantity.

3.08. Water Quality

A. San Francisco shall deliver treated water to Wholesale Customers (except Coastside County Water District, which receives untreated water from Crystal Springs and Pilarcitos Reservoirs) that complies with primary maximum contaminant level and treatment technique standards at the regulatory entry points designated in the San Francisco Regional Water System Domestic Water Supply Permit (currently Permit No. 02-04-04P3810001) issued by the California Department of Public Health (CDPH).

B. San Francisco will provide notice to the Wholesale Customers in accordance with the Water Quality Notification and Communications Plan (current version dated January 2006), attached hereto as Attachment G. San Francisco will regularly update its plan in consultation with the Wholesale Customers and the CDPH. The next update will be completed one year after the Effective Date and include expanded coverage of secondary maximum contaminant level exceedances and water quality communication triggers. The plan will note that the Wholesale Customers will receive the same notification no later than the San Francisco water system (currently Permit No. 02-04-01P3810011) except for distribution-related issues.

C. San Francisco and the Wholesale Customers will establish a Water Quality Committee. The Water Quality Committee will meet at least quarterly to collaboratively address water quality issues, such as Water Quality Notification and Communications Plan updates, regulatory issues, and water quality planning studies/ applied research. San Francisco and each Wholesale Customer will designate a representative to serve on the committee. There will be a Chair and Vice Chair position for the Water Quality Committee. The Chair and Vice Chair positions will be held by San Francisco and the Wholesale Customers and rotate between them on an annual basis.

3.09. Completion of WSIP

San Francisco will complete construction of the physical facilities in the WSIP by December ~~31, 2015~~30, 2021. The SFPUC agrees to provide for full public review and comment by local and state interests of any proposed changes that delay previously adopted project completion dates or that delete projects. The SFPUC shall meet and consult with BAWSCA before proposing to the Commission any changes in the scope of WSIP projects which reduce their capacity or ability to achieve adopted ~~levels~~Level of ~~service goals~~Service Goals and

Objectives. The SFPUC retains discretion to determine whether to approve the physical facilities in the WSIP until after it completes the CEQA process as set forth in Section 4.07.

3.10. Regional Water System Repair, Maintenance and Operation

A. San Francisco will keep the Regional Water System in good working order and repair consistent with prudent utility practice.

B. San Francisco will submit reports to its Retail and Wholesale Customers on the "State of the Regional Water System," including reports on completed and planned maintenance, repair or replacement projects or programs, by September of every even-numbered year, with reports to start in September 2010.

C. San Francisco will cooperate with any audit of the SFPUC's asset management practices that may be initiated and financed by BAWSCA or the Wholesale Customers. BAWSCA may contract with third parties to conduct the audits. San Francisco will consider the findings and recommendations of such audits and will provide a written response indicating agreement with the recommendations, or disagreement with particular recommendations and the reasons why, within 90 calendar days after receipt.

D. San Francisco will continue to operate its reservoirs in a manner that assigns higher priority to the delivery of water to the Bay Area and the environment than to the generation of electric power. The SFPUC, as the Regional Water System operator, is solely responsible for making day-to-day operational decisions.

3.11. Shortages

A. **Localized Water Reductions.** Notwithstanding San Francisco's obligations to deliver the Supply Assurance to the Wholesale Customers collectively and the Individual Supply Guarantees to Wholesale Customers individually, San Francisco may reduce the amount of water available or interrupt water deliveries to specific geographical areas within the Regional Water System service area to the extent that such reductions are necessary due to Emergencies, or in order to install, repair, rehabilitate, replace, investigate or inspect equipment in, or perform other maintenance work on, the Regional Water System. Such reductions or interruptions may be imposed by San Francisco without corresponding reductions or interruptions in the amount of water available to SFPUC water users outside the specific geographical area where reductions or interruptions are necessary, if the system's ability to

supply water outside the specific geographical area has not been impaired. In the event of such a reduction or interruption, San Francisco will restore the supply of water to the specific geographical area as soon as is possible. Except in cases of Emergencies (during which oral notice shall be sufficient), San Francisco will give the affected Wholesale Customer(s) reasonable written notice of such localized reductions or interruptions, the reasons therefor, and the probable duration thereof.

B. System-Wide Shortages and SFPUC Response to Regional Emergencies.

Following a major system emergency event, the SFPUC will work closely with its Wholesale Customers to monitor customer demand, including the demand source. In the event that any individual Wholesale Service Area or Retail Service Area customer's uncontrolled distribution system leaks could result in major water waste and endanger the supply provided by the Regional Water System as a whole, flow through some customer connections may need to be temporarily reduced or terminated. SFPUC will work closely with customers to assess the nature of the demand (e.g. fire-fighting versus leakage), so that public health and safety protection can be given top priority.

1. All emergencies that require use of non-potable source water will require use of chlorine, or other suitable disinfectant, if feasible.

2. San Francisco will use its best efforts to meet the seismic reliability and delivery reliability ~~level~~[Level](#) of ~~service-goals~~[Service Goals and Objectives](#) adopted by the Commission in conjunction with the WSIP. San Francisco will distribute water on an equitable basis throughout the Regional Water System service area following a regional Emergency, subject to physical limitations caused by damage to the Regional Water System.

3. San Francisco's response to Emergencies will be guided by the then-current version of the ERRP. The SFPUC shall periodically review, and the Commission may amend, the ERRP to ensure that it remains an up-to-date and effective management tool.

4. The SFPUC will give the Wholesale Customers notice of any proposal to amend the ERRP in a manner that would affect them. The notice will be delivered at least thirty days in advance of the date on which the proposal is to be considered by the Commission and will be accompanied by the text of the proposed amendment.

C. Shortages Caused by Drought; Acquisition of Dry Year Supplies.

Notwithstanding San Francisco's obligations to deliver the Supply Assurance to the Wholesale

Customers collectively and the Individual Supply Guarantees to Wholesale Customers individually, San Francisco may reduce the amount of water available to the Wholesale Customers in response to Drought.

1. The Tier 1 Shortage Plan (Attachment H) will continue to be used to allocate water from the Regional Water System between Retail and Wholesale Customers during system-wide shortages of 20% or less.

2. San Francisco and the Wholesale Customers may negotiate in good faith revisions to the Tier 1 Shortage Plan to adjust for and accommodate anticipated changes due to demand hardening in the SFPUC's Wholesale and Retail Service Areas. Until agreement is reached, the current Tier 1 Shortage Plan will remain in effect.

3. The SFPUC will honor allocations of water among the Wholesale Customers ("Tier 2 Allocations") provided by BAWSCA or if unanimously agreed to by all Wholesale Customers. If BAWSCA or all Wholesale Customers do not provide the SFPUC with Tier 2 Allocations, then the SFPUC may make a final allocation decision after first meeting and discussing allocations with BAWSCA and the Wholesale Customers. For Regional Water System shortages in excess of 20%, San Francisco shall (a) follow the Tier 1 Shortage Plan allocations up to the 20% reduction, (b) meet and discuss how to implement incremental reductions above 20% with the Wholesale Customers, and (c) make a final determination of allocations above the 20% reduction. After the SFPUC has made the final allocation decision, the Wholesale Customers shall be free to challenge the allocation on any applicable legal or equitable basis.

4. San Francisco will use its best efforts to identify potential sources of dry year water supplies and establish the contractual and other means to access and deliver those supplies in sufficient quantity to meet a goal of not more than 20 percent system-wide shortage in any year of the design drought.

5. San Francisco will cooperate with BAWSCA to improve water supply reliability. As an example of such cooperation, San Francisco may invite a representative of BAWSCA to attend and participate in meetings with third parties for development of dry year water supplies. If San Francisco does not invite a BAWSCA representative to attend a specific scheduled meeting, it will promptly (within 30 days of any such meeting) provide BAWSCA with a written or oral report on the meeting, including any decisions reached at it, as well as information about planned subsequent meetings. Progress in securing dry year water supplies

will be reported to the SFPUC and the BAWSCA board of directors during the first quarter of each calendar year.

3.12. Wheeling of Water from Outside SFPUC System

Subject to the Wheeling Statute, the SFPUC will not deny use of Regional Water System unused capacity for wheeling when such capacity is available for wheeling purposes during periods when the SFPUC has declared a water shortage emergency under Water Code Section 350 if the following conditions are met:

A. The transferor pays reasonable charges incurred by the SFPUC as a result of the wheeling, including capital, operation, maintenance, administrative and replacement costs (as such are defined in the Wheeling Statute).

B. Wheeled water that is stored in the Regional Water System spills first.

C. Wheeled water will not unreasonably: (1) impact fish and wildlife resources in Regional Water System reservoirs; (2) diminish the quality of water delivered for consumptive uses; or (3) increase the risk of exotic species impairing Regional Water System operations. The transferor may at its own expense provide for treatment to mitigate these effects.

D. Priority will be given to wheeling by Wholesale Customers or BAWSCA over arrangements for third-party public entities.

3.13. Limits on New Customers

A. **New Wholesale Customers Prior to December 31, ~~2018~~2028**. Until December 31, ~~2018~~2028, San Francisco will not enter into contracts to supply water to any entity other than a Wholesale Customer (whether permanent or temporary, firm or interruptible) unless:

1. It completes any necessary environmental review under CEQA of the proposed new wholesale water service obligations as provided in Section 4.07;

2. It concurrently completes any necessary environmental review under CEQA as provided in Section 4.07 and commits to make both San Jose and Santa Clara permanent customers with Individual Supply Guarantees equal to at least 9 MGD; and

3. This Agreement is amended to incorporate any commitments to proposed new wholesale customers and to San Jose and Santa Clara, and to address the effects, if any,

of the new customer(s) on water supply reliability, water quality and cost to existing customers of the Regional Water System.

B. **New Wholesale Customers After December 31, 20182028**. As of January 1, 20192029, San Francisco will not enter into contracts to supply water to any entity other than a Wholesale Customer (whether permanent or temporary, firm or interruptible) unless:

1. It completes any necessary environmental review under CEQA of the proposed new wholesale water service obligations as provided in Section 4.07;
2. It concurrently completes any necessary environmental review under CEQA as provided in Section 4.07 and commits to make both San Jose and Santa Clara permanent customers with Individual Supply Guarantees equal to at least 9 MGD;
3. Doing so increases the reliability of the Regional Water System; and
4. This Agreement is concurrently amended (a) to reflect that increased reliability by means of an increased commitment by San Francisco to deliver water during Droughts and (b) to address the effects, if any, of the new customer(s) on water supply, water quality and cost to existing customers of the Regional Water System.

C. **New Retail Customers**. San Francisco may enter into new retail water service obligations outside of the City and County of San Francisco:

1. Only in Alameda, San Mateo, Santa Clara, San Joaquin and Tuolumne Counties;
2. That are within or immediately adjacent to areas in which it currently serves other Retail Customers; and
3. Until the aggregate additional demand represented by the new retail customers reaches 0.5 MGD.

The limitations on serving new Retail Customers described in this subsection do not apply to historical obligations to supply water that may be contained in prior agreements between the SFPUC or its predecessor the Spring Valley Water Company, and individual users or property owners located adjacent to Regional Water System transmission pipelines.

D. **Water Exchanges and Cost Sharing Agreements with Other Water Suppliers**. Subject to completion of necessary environmental review under CEQA, San

Francisco may at any time enter into water exchanges or cost sharing agreements with other water suppliers to enhance dry year or normal year water deliveries, provided that San Francisco cannot incur new water service obligations to such other water suppliers unless the requirements for taking on new wholesale customers in subsections A and B above are met.

3.14. Measurement of Water

A. The parties recognize that continuous and accurate measurement of water deliveries to and from the Regional Water System and maintenance of complete and accurate records of those measurements is necessary (1) for the costs of the Regional Water System to be allocated in accordance with this Agreement, (2) for implementation of other provisions of this Agreement, and (3) for effective operation and maintenance of a water system serving a large urbanized region.

B. It is the responsibility of the SFPUC to obtain and record these measurements. To do so, the SFPUC shall install, maintain and operate measuring and recording equipment at the following locations: (1) inputs to the Regional Water System from all water sources ("System Input Meters"), (2) internal flow meters to support operation of the Regional Water System ("In-Line Meters"), (3) deliveries to the City at the San Francisco-San Mateo County line ("County-Line Meters") and to three reservoirs in San Francisco ("In-City Terminal Reservoir Meters"), (4) deliveries to SFPUC Retail Customers located outside the boundaries of the City, and (5) deliveries to the Wholesale Customers, as described and illustrated in Attachment J.

C. The SFPUC shall inspect, test, service, and calibrate the measuring and recording equipment installed at the locations described in subsection B and will repair or replace them when necessary, in order to ensure that their accuracy is consistent with specifications provided in Attachment J.

D. The SFPUC shall continue to contract with a qualified independent metering consultant to perform periodic inspection, testing, servicing and calibration of the County-Line Meters, the In-City Terminal Reservoir Meters, and the System Input and In-Line Meters described in Attachment J, as well as the portion of the SFPUC's Supervisory Control and Data Acquisition (SCADA) system that utilizes the flow signals produced by that measuring and recording equipment. The method, schedule and frequency for calibration and maintenance of the County-Line Meters and the In-City Terminal Reservoir Meters are specified in

Attachment J. The SFPUC shall provide copies of the metering consultant's reports to BAWSCA.

E. System Input Meters measure water deliveries into the Regional Water System from sources such as Hetch Hetchy and the SFPUC's water treatment plants. System Input Meters also measure deliveries from the Regional Water System to outside sources or from such sources to the Regional Water System through interties with the Santa Clara Valley Water District and the East Bay Municipal Utility District. In-Line Meters measure internal system flows and are located on the Bay Division Pipelines and other main transmission pipelines. These meters are collectively referred to as the "System Input and In-line Meters." Similar to the County-Line Meters, the System Input and In-Line Meters have secondary metering equipment, such as differential pressure transmitters and flow recorders. The System Input and In-Line Meters, and all associated secondary metering equipment, shall be calibrated and maintained according to the method, schedule, and frequency specified in the Procedures Manual described in subsection G, below.

F. The locations of the smaller and more numerous meters described in subsection B (4) and (5) are not illustrated in Attachment J; however, they are also critical in the determination of cost allocations, and accordingly require continued maintenance and calibration. It is the responsibility of the SFPUC to maintain the accuracy of these meters and their secondary metering equipment.

G. The SFPUC will prepare a Procedures Manual which will describe in detail the procedures for periodic inspection, testing, servicing and calibration of the measuring and recording equipment described in subsection B. Once the Procedures Manual is completed, the SFPUC and BAWSCA may agree that it should supersede some or all of the requirements in Attachment J regarding the County-Line and the In-City Terminal Reservoir Meters. Unless and until such an agreement is reached and documented, however, the requirements in Attachment J, Section D will continue in force as minimum standards for meter maintenance and calibration of the County-Line and In-City Terminal Reservoir Meters (subject to modification under the circumstances described in Attachment J, Section A.4).

H. If BAWSCA and the SFPUC are unable to agree on the water use calculations required by Attachment J for a particular year, the Wholesale Customers may file a demand for arbitration challenging the SFPUC's determination of the Wholesale Revenue Requirement for

that year on the basis of its reliance on disputed water use calculations. Such a challenge must be brought in the manner and within the time specified in Section 8.01.

3.15. New Sources of Water Supply to Maintain Supply Assurance

A. **Urgent Reductions of Existing Surface Water Supplies.** Sudden and unanticipated events may require San Francisco to act promptly to protect the health, safety and economic well-being of its Retail and Wholesale Customers. Such sudden events include, but are not limited to drought, earthquakes, terrorist acts, catastrophic failures of facilities owned and operated by San Francisco, and other natural or man-made events. If such events diminish San Francisco's ability to maintain the Supply Assurance, San Francisco may increase the Wholesale Revenue Requirement to pay for planning, evaluation and implementation of replacement sources of supply when such needs arise and without the prior approval of the Wholesale Customers. San Francisco will keep the Wholesale Customers informed of actions being taken under this subsection, progress made, and contingency actions the Wholesale Customers may need to consider taking. To the extent appropriate and applicable, San Francisco will act in accordance with Section 3.11 and the ERRP. Nothing in this subsection limits San Francisco's obligations under Section 3.11 to pursue additional sources of supply to augment supplies available during drought.

B. **Non-Urgent Reductions of Existing Surface Water Supplies.** Climate change, regulatory actions and other events may impact San Francisco's ability to maintain the Supply Assurance from its existing surface water supplies, but on timescales long enough to permit San Francisco to collaborate with its Wholesale Customers on how best to address possible impacts to water supply. If such events diminish San Francisco's ability to maintain the Supply Assurance, San Francisco may increase the Wholesale Revenue Requirement to pay for planning, evaluation and implementation of replacement sources of supply when such needs arise and without the prior approval of the Wholesale Customers. San Francisco will keep the Wholesale Customers informed of actions being taken under this subsection, progress made, and contingency actions the Wholesale Customers may need to consider taking. San Francisco will solicit input and recommendations from BAWSCA and the Wholesale Customers, and take those recommendations into consideration. Prior to Commission approval of plans or taking other actions that would impact the Wholesale Revenue Requirement, San Francisco will hold a public hearing to receive written and oral comments. Nothing in this subsection modifies San

Francisco's obligation to maintain the ability to provide the Supply Assurance under this Agreement.

3.16. New Sources of Water Supply to Increase Supply Assurance

A. **Surface Water Supplies From Existing Watersheds After 2018.** The Commission action in SFPUC Resolution Number 08-0200, adopted October 30, 2008 requires certain decisions by San Francisco regarding whether to supply more than 265 MGD from its watersheds following 2018. Such decisions are to be made by December 31, 2018, subject to the exercise of San Francisco's retained CEQA discretion in Section 4.07. San Francisco's future decisions may include an offer to increase the Supply Assurance at the request of some or all of its Wholesale Customers. Costs associated with providing additional water from its existing water supplies in San Mateo, Santa Clara, Alameda, Tuolumne, and Stanislaus Counties shall be allocated to Wholesale and Retail Customers as described in Article 5.

B. **New Water Supplies.** If San Francisco seeks to develop additional water supplies from new sources to increase the Supply Assurance available to Wholesale Customers, studies and resulting water supply projects will be conducted jointly with BAWSCA under separate agreement(s) specifying the purpose of the projects, the anticipated regional benefits and how costs of studies and implementation will be allocated and charged. Nothing in this Agreement shall serve as precedent for the allocation of such new supply capital costs between Retail and Wholesale Customers or associated operational expenses, which shall only occur following approval of both parties and amendment of this Agreement, if necessary, under Section 2.03.

3.17. Westside Basin ~~Conjunctive Use Program~~ Groundwater Storage and Recovery Project

~~Subject to completion of necessary CEQA review as provided in Section 4.07~~In August 2014, the SFPUC ~~may~~approved a WSIP project called the Groundwater Storage and Recovery Project ("Project"), ~~which authorized the SFPUC to~~ enter into an agreement governing the operation of the Project with the ~~cities~~Participating Pumpers entitled "Agreement for Groundwater Storage and Recovery from the Southern Portion of the Westside Groundwater Basin by and among the San Francisco Public Utilities Commission, the City of Daly City ~~and~~ the City of San Bruno and the California Water Service Company, ~~South San Francisco Service Area ("Participating Pumpers") governing the operation of the South Westside~~

~~Basin Conjunctive Use Program (“Program”), a WSIP Project.” (“Project Operating Agreement”), which became effective on December 16, 2014. The Program would produce~~Project produces Regional benefits for all customers of the Regional Water System by making use of available groundwater storage capacity in the Southern portion of the Westside Basin through the supply of additional surface water (“In Lieu Water”) to the Participating Pumpers from the Regional Water System, in exchange for a corresponding reduction in groundwater pumping at existing wells owned by the Participating Pumpers. The new groundwater supply that ~~would accrue~~accrues to storage as a result of delivery of In Lieu Water ~~would then~~will be recovered from the SFPUC ~~basin storage account~~Storage Account during water shortages using new ~~SFPUC Regional Program wells~~Project Facilities or Shared Facilities operated by the Participating Pumpers and the SFPUC. ~~Program~~Project mitigation capital costs and annual Project operations and maintenance expenses and water supplies ~~are expected to~~shall be allocated as follows:

A. All In Lieu Water delivered to the Participating Pumpers shall be (1) temporary and interruptible in nature and (2) at the sole discretion of the SFPUC based on the total volume of water available to the Regional Water System.

B. All In Lieu Water delivered to the Participating Pumpers shall be considered a delivery of water to storage and shall not be construed to affect or increase the Individual Supply Guarantees of these ~~wholesale customers~~Wholesale Customers or to otherwise entitle them to any claim of water in excess of their Individual Supply Guarantees ~~or their Interim Supply Allocations. Furthermore, Environmental Enhancement Surcharges authorized under Section 4.04 will not be applied by the SFPUC to any quantity of In Lieu Water that is delivered to the Participating Pumpers, but will instead be based solely on Participating Pumper water deliveries in excess of their respective Interim Supply Allocations.~~

C. In the event that it is necessary to reduce the Participating Pumpers’ aggregate designated quantity of groundwater production allocation pursuant to Section 4.7 of the Project Operating Agreement, the SFPUC may supply an annual maximum of up to 500 acre feet of Participating Pumper Replacement Water from the Regional Water System at a price comparable to the Participating Pumpers’ then-current groundwater cost, as may be adjusted annually as provided for in Section 4.7 of the Project Operating Agreement. Each of the Participating Pumpers may elect to take delivery of its share of Participating Pumper

Replacement Water either as interruptible surface water deliveries from the Regional Water System or as a transfer of storage credits from the SFPUC Storage Account. All revenue received from such water sales or transfers shall be considered revenue related to the sale of water and allocated between Retail Customers and Wholesale Customers on the basis of Proportional Water Use. All volumes of Participating Pumper Replacement Water delivered shall not be construed to affect or increase the Individual Supply Guarantees of these Wholesale Customers or to otherwise entitle them to any claim of water in excess of their Individual Supply Guarantees.

D. Any operation and maintenance expenses incurred by the Participating Pumps and the SFPUC that are related to the operation of ~~Regional Program wells~~Project Facilities and ~~related assets~~Shared Facilities for Project purposes shall be included as Regional pumping expenses under Section 5.05.B of this Agreement and included as part of the Wholesale Revenue Requirement. For rate setting purposes, estimated ~~Regional Program~~Project operation and maintenance expenses shall be used as set forth in Section 6.01- of this Agreement. Operation and maintenance expenses associated with the Participating Pumps' ~~existing wells~~Existing Facilities that do not provide Regional benefits shall not be included in the Wholesale Revenue Requirement. On a case-by-case basis, the SFPUC may include ~~Participating Pumper existing well~~ operation and maintenance expenses associated operation of the Participating Pumps' Existing Facilities in the Wholesale Revenue Requirement provided that such expenses (1) are solely attributable to ~~Regional Program~~Project operations for a Regional benefit and (2) are not caused by the Participating Pumper's failure to operate and maintain its existing wells in a reasonable and prudent manner consistent with water utility industry standards. The SFPUC shall provide the Wholesale Customers with copies of Project Operation and Maintenance Expenses documentation provided by the Participating Pumps under Section 9.2 of the Project Operating Agreement.

E. The Project Mitigation, Monitoring and Reporting Program ("MMRP") adopted by the SFPUC included mitigation measure HY-6 to prevent well interference impacts to the Irrigation Well Owners. In mitigation measure HY-6, the SFPUC agreed to provide standby supplies of Irrigation Well Owner Replacement Water from the Regional Water System, to alter Project operations, and implement other actions (e.g., well replacement) to avoid well interference impacts that require the consent of the Irrigation Well Owners. The SFPUC's Project mitigation and other obligations to the Irrigation Well Owners are memorialized in substantially identical "Groundwater Well Monitoring and Mitigation Agreements" with one or

more of the Irrigation Well Owners. For purposes of this Agreement, water supplies, and the capital costs and operations and maintenance expenses associated with providing Irrigation Well Owner Replacement Water and implementing other mitigation actions identified in the Project MMRP, shall be allocated as follows:

1. Irrigation Well Owner Replacement Water shall be limited to a cumulative maximum of 1.76 mgd and shall be delivered only in volumes necessary for mitigating well interference impacts as provided in the Project MMRP. The supply of Irrigation Well Owner Replacement Water by the SFPUC shall not be considered a new water supply commitment to Retail Customers or Wholesale Customers under Section 3.13 of this Agreement. The annual volume of Irrigation Well Owner Replacement Water supplied shall be metered and allocated as water from the Regional Water System during shortages between Retail Customers and Wholesale Customers in proportion to and consistent with the provisions of the Shortage Allocation Plan. All revenue received from Irrigation Well Owners for metered deliveries of Irrigation Well Owner Replacement Water shall be considered revenue related to the sale of water and allocated between Retail Customers and Wholesale Customers on the basis of Proportional Water Use.

2. All Project capital costs incurred by the SFPUC in complying with the mitigation measures in the Project MMRP shall be considered Regional capital costs under Section 5.04 of this Agreement.

3. Operations and maintenance expenses incurred by the SFPUC in maintaining Project mitigation assets described in the Project MMRP shall be considered Regional transmission and distribution expenses under Section 5.05.D of this Agreement. Well pumping expenses that are required to be paid by the SFPUC in the agreements with the Irrigation Well Owners shall be considered Regional pumping expenses under Section 5.05.B of this Agreement.

4. Any wheeling charges imposed by California Water Service Company for delivery of Irrigation Well Owner Replacement Water shall be considered Regional transmission and distribution expenses under Section 5.05.D of this Agreement.

E.F. The SFPUC will audit (1) operation and maintenance expenses submitted by the Participating Pumpers, and (2) well pumping expenses submitted by the Irrigation Well Owners, for reimbursement to confirm that such costs were incurred, respectively, as a result of (1) operating ~~Regional Program wells and related assets.~~ Project Facilities and Shared Facilities for

a Regional benefit and (2) complying with mitigation obligations in the Project MMRP. Costs associated with the use of ~~Program facilities~~Project Facilities or Shared Facilities for Direct Retail or Direct Wholesale purposes, or that do not otherwise provide Regional benefits, shall not be included in the Wholesale Revenue Requirement. The SFPUC is responsible for resolving disputes with the Participating Pumpers and Irrigation Well Owners concerning expense allocations. ~~Program~~Project expense documentation, including documentation of negotiation and settlement of disputed costs, will be available for review during the Compliance Audit described in Section 7.04- of this Agreement. The Wholesale Customers may dispute the SFPUC's resolution of expense allocations through the arbitration provisions in Section 8.01 of this Agreement.

F.G. The SFPUC may direct the Participating Pumpers to recover water from the SFPUC ~~basin-storage-account~~Storage Account for any type of shortage referenced in Section 3.11- of this Agreement. Water recovered from the SFPUC ~~basin-storage-account~~Storage Account using ~~Regional-Program-wells~~Project Facilities and Shared Facilities may be used for (1) the benefit of all Regional Water System customers; (2) Retail Customers; or (3) one or more of the Participating Pumpers. The Wholesale Revenue Requirement shall only include operation and maintenance expenses incurred due to the operation of ~~Program-wells-for Regional-benefits~~Project Facilities and Shared Facilities for Regional benefits, including expenses incurred due to compliance with mitigation measures in the Project MMRP.

G.H. All water recovered during shortages caused by drought from the SFPUC ~~basin storage-account~~Storage Account for Regional benefit, by the Participating Pumpers and by the SFPUC for delivery to Retail and Wholesale Customers ~~during Shortages caused by Drought,~~ shall be used to free up a comparable volume of surface water from the Regional Water System for allocation in accordance with the Tier 1 Shortage Plan.

H.I. If the ~~Program~~Project is terminated for any reason, including breach of the ~~Program-agreement~~Project Operating Agreement by one or more of the Participating Pumpers or the SFPUC, a force majeure event as specifically defined by the Project Operating Agreement, or due to regulatory action or legal action, then:

1. Any water remaining in the SFPUC ~~Regional-storage-account~~Storage Account shall be used for the benefit of all customers of the Regional Water System;

2. Outstanding eligible operation and maintenance expenses, including costs incurred during recovery of remaining stored water, will be allocated as provided in this ~~section~~Section 3.17 of this Agreement; and

3. ~~The~~If Project Facilities are no longer capable of being used for a Regional benefit, the Wholesale Customers will be credited with their share of proceeds from disposition of ~~Program facilities~~Project Facilities or reimbursed their share of such capital costs for any ~~Program facilities~~Project Facilities which are retained by the SFPUC for Direct Retail benefit and not used for the benefit of the Wholesale Customers, on the basis of (a) original cost less depreciation and outstanding related Indebtedness or (b) original cost less accumulated depreciation for revenue funded ~~Regional Program facilities.~~Project Facilities.

J. In the event that a Participating Pumper establishes the occurrence of a force majeure event as defined in the Project Operating Agreement, the SFPUC may enter into negotiations with the Participating Pumper to take over the operation of the portion of any Shared Facilities used for Project purposes for continued Regional use. If the SFPUC cannot reach agreement regarding the continued use of Shared Facilities for ongoing Regional benefit, the Participating Pumper shall reimburse the SFPUC and the Wholesale Customers for their respective shares of previously incurred Project capital costs used to upgrade the Shared Facilities on the basis of (a) original cost less depreciation and outstanding related Indebtedness or (b) original cost less accumulated depreciation for revenue funded Shared Facilities. In the event that the SFPUC seeks to take over the operation of Shared Facilities for Direct Retail use, or one or more Wholesale Customers seeks to negotiate with a Participating Pumper to take over the operation of Shared Facilities for individual use or Direct Wholesale use, the party or parties benefiting from such transfer of Shared Facilities shall reimburse the other parties to this Agreement with their respective shares of previously incurred Project capital costs on the basis described in the previous sentence, or as the parties may otherwise agree.

3.18. Water Supply Agreement Amendment Required.

San Francisco may not change the existing condition of the Hetch Hetchy Reservoir by:

1. Abandoning or decommissioning O'Shaughnessy Dam; or
2. Draining Hetch Hetchy Reservoir, except for purposes of (i) repair, rehabilitation, maintenance, improvement, or reconstruction of O'Shaughnessy Dam or appurtenances, (ii) supplying water to the Bay

Area during drought, or (iii) meeting water release requirements under the Raker Act, or federal or state law,

unless the parties enter into an amendment to the Water Supply Agreement, in full force and effect, adopted in accordance with Section 2.03.

The amendment shall state, or restate, as the case may be:

- A. The level of service goals for seismic reliability and delivery reliability adopted by the Commission in conjunction with such proposed changes to the Regional Water System, provided such goals are at least as protective of the Wholesale Customers as the Level of Service Goals and Objectives;
- B. The level of water quality to be delivered, which is currently provided for in Section 3.08, and
- C. The specific cost allocation procedures, written as an amendment to Article 5, which apply to (1) the abandonment or decommissioning of O'Shaughnessy Dam, or (2) the draining of Hetch Hetchy Reservoir, and (3) the development, operation and maintenance of New Regional Assets that may be required to replace water supplied by Hetch Hetchy Reservoir and delivered to the Bay Area.

In the event that the parties are not able to agree upon and approve an amendment to the Water Supply Agreement as set forth above, San Francisco may not abandon or decommission O'Shaughnessy Dam or drain Hetch Hetchy Reservoir.

Article 4. Implementation of Interim Supply Limitation.

4.01. Interim Supply Limitation Imposed by SFPUC

In adopting the WSIP in Res. No. 08-0200, the Commission included full implementation of all proposed WSIP capital improvement projects to achieve ~~level of service goals~~ [Level of Service Goals and Objectives](#) relating to public health, seismic safety, and delivery reliability, but decided to adopt a water supply element that includes the Interim Supply Limitation. This article describes how the parties will implement the Interim Supply Limitation imposed by the SFPUC between the Effective Date and December 31, 2018-, [and how the SFPUC will conduct water supply planning after December 31, 2018.](#)

4.02. Retail and Wholesale Customer Allocations Under Interim Supply Limitation

The Interim Supply Limitation is allocated as follows between Retail and Wholesale Customers:

Retail Customers' allocation: 81 MGD

Wholesale Customers' allocation: 184 MGD

The Wholesale Customers' collective allocation of 184 MGD under the Interim Supply Limitation includes the demand of the cities of San Jose and Santa Clara, whose demand is not included in the Supply Assurance, as provided in Section 3.02.B. By December 31st, 2010, the Commission will establish each Wholesale Customer's Interim Supply Allocation at a public meeting.

4.03. Transfers of Interim Supply Allocations

A. Any Wholesale Customer, including Hayward, may transfer a portion of its Interim Supply Allocation to one or more other Wholesale Customers, as provided in this section. All Wholesale Customers are also eligible transferees, including California Water Service Company up to its Individual Supply Guarantee.

B. Transfers of a portion of an Interim Supply Allocation must be prospective. The duration of a transfer cannot be less than the balance of the fiscal year. The minimum quantity that may be transferred is 1/10th of a MGD.

C. Transfers of portions of Interim Supply Allocations are subject to approval by the SFPUC. SFPUC review is limited to determining (1) whether a proposed transfer complies with the Act, and (2) whether the affected facilities in the Regional Water System have sufficient capacity to accommodate delivery of the increased amount of water to the proposed transferee.

D. The participants in a proposed transfer shall provide notice to the SFPUC specifying the amount of the Interim Supply Allocation proposed to be transferred and the proposed effective date of the transfer, which shall not be less than 60 days after the notice is submitted to the SFPUC. The SFPUC may require additional information reasonably necessary to evaluate the operational impacts of the transfer. The SFPUC will not unreasonably withhold or delay its approval; if the SFPUC does not act on the notice within 60 days, the transfer will be deemed to have been approved.

E. Within 30 days after the transfer has become effective, both the transferor and the transferee will provide written notice to the SFPUC and BAWSCA.

F. Transfers of Interim Supply Allocations shall continue in effect until the earlier of (1) delivery of written notice to the SFPUC by the transfer participants that the transfer has been rescinded or (2) December 31, 2018.

4.04. Environmental Enhancement Surcharge

A. **Establishment of Environmental Enhancement Surcharge.** Beginning with wholesale water rates for fiscal year 2011-2012, and continuing for the duration of the Interim Supply Limitation, the Commission will establish the Environmental Enhancement Surcharge concurrently with the budget-coordinated rate process set forth in Article 6 of this Agreement. The monetary amount of the Environmental Enhancement Surcharge per volume of water, such as dollars per acre-foot, will be equivalent for Retail Customer use in excess of 81 MGD and Wholesale Customer use in excess of 184 MGD. The Environmental Enhancement Surcharge will be simple to calculate so that Wholesale Customers can estimate potential surcharges for budgeting purposes and establish retail rates within their service areas.

B. **Application of Environmental Enhancement Surcharge.** Beginning in fiscal year 2011-12, the Environmental Enhancement Surcharge will be levied only if and when combined Retail Customer and Wholesale Customer purchases exceed the Interim Supply Limitation of 265 MGD and if the fund described in subsection D below has been established by

the San Francisco Board of Supervisors. In that event, the Environmental Enhancement Surcharge will apply to Retail Customers for use in excess of 81 MGD and to individual Wholesale Customers for use in excess of their Interim Supply Allocations established by the Commission pursuant to Section 4.02.

1. Environmental Enhancement Surcharges related to the Retail Customers' use in excess of their 81 MGD Retail Customer Allocation will be paid by the SFPUC, and no portion of such surcharges may be allocated to Wholesale Customers. The method of recovering the Environmental Enhancement Surcharges imposed upon Retail Customers shall be within the sole discretion of the SFPUC.

2. Environmental Enhancement Surcharges related to the individual Wholesale Customers' use in excess of their respective Interim Supply Allocations will be paid to the SFPUC by individual Wholesale Customers.

C. **Collection of Environmental Enhancement Surcharge.** Notwithstanding the budget-coordinated rate setting process contemplated in Article 6 of this Agreement, the Environmental Enhancement Surcharge for any given year will be determined retrospectively based on actual annual usage during the fiscal year in excess of the Interim Supply Allocation and paid in equal monthly installments over the remainder of the immediately following fiscal year.

D. **Establishment of Fund for Environmental Enhancement Surcharge Proceeds.** Environmental Enhancement Surcharges paid by the SFPUC and by Wholesale Customers will be placed into a restricted reserve fund. The SFPUC will request the San Francisco Board of Supervisors to establish this fund by ordinance and, if adopted, the fund will be subject to the following restrictions:

1. Interest earnings will stay in the reserve fund.
2. The reserve fund shall (a) be subject to automatic appropriation; (b) require unexpended and unencumbered fund balances to be carried forward from year to year; and (c) not be transferred to the San Francisco General Fund.
3. The reserve fund may be used only for specific environmental restoration and enhancement measures for the Sierra and local watersheds, such as those included in the Watershed Environmental Improvement Program.

4. Environmental Enhancement Surcharge proceeds shall be expended in an expeditious manner. Any Environmental Enhancement Surcharge proceeds that remain in the reserve fund as of December 31, 2018 shall be used to complete projects previously approved under subsection E. Upon completion of the identified projects, the balance of any unexpended sums in the reserve fund shall be distributed to BAWSCA and the SFPUC in proportion to the total amount of surcharges assessed to the Wholesale and Retail Customers, respectively.

B-E. Use of Environmental Enhancement Surcharge Proceeds. Specific uses of Environmental Enhancement Surcharges will be decided by the SFPUC and BAWSCA General Managers following input from environmental stakeholders and other interested members of the public. If parties are unable to agree, then they will jointly select a third person to participate in making the decision.

4.05. San Jose/ Santa Clara Interim Supply Allocation and Process for Reduction/ Termination.

San Francisco will supply a combined annual average of 9 MGD to the cities of San Jose and Santa Clara through ~~2018~~2028. Water supplied by San Francisco may only be used in the ~~existing~~-defined service areas ~~in the northern portions~~ of San Jose and Santa Clara shown on Attachment Q-1 and Q-2, respectively. San Francisco may reduce the quantity of water specified in this section when it establishes the Interim Supply Allocations for Wholesale Customers in Section 4.02. The establishment of Interim Supply Allocations for San Jose and Santa Clara shall not be considered a reduction of supply within the meaning of this section, provided that the Interim Supply Allocations assigned to San Jose and Santa Clara do not effect a reduction greater than the aggregate average reduction in Individual Supply Guarantees for Wholesale Customers that have such guarantees. The application of Interim Supply Allocations to San Jose and Santa Clara ~~is~~, and water supply planning after December 31, 2018, are subject to the following provisions:

A. In December 2010 and in each December thereafter through ~~2017~~2027, the SFPUC shall prepare and the Commission shall consider, at a regularly scheduled public meeting, a Water Supply Development Report detailing progress made toward (1) meeting the Interim Supply Limitation by June 30, 2018 and (2) developing additional water supplies that will allow the Commission to designate San Jose and Santa Clara as permanent Wholesale

Customers of the Regional Water System with a combined Individual Supply Guarantee of up to 9 MGD by the end of the Term on June 30, 2034.

B. The annual Water Supply Development Report shall be based on water purchase projections and work plans ~~for achieving the Interim Supply Limitation in the Retail and Wholesale Service Areas. The projections and work plans will be~~ prepared by the SFPUC for the Retail Customers and by BAWSCA for the Wholesale Customers, respectively, and submitted to the Commission in June of each year beginning in 2010.

C. If the Commission finds that the projections in the Water Supply Development Report show that (1) the Interim Supply Limitation will not be met by June 30, 2018, as a result of Wholesale Customers' projected use exceeding 184 MGD, or (2) the purchases of the Wholesale Customers, including San Jose and Santa Clara, are projected to exceed 184 MGD before June 30, 2028, the Commission may issue a conditional ~~five-ten~~ year notice of interruption or reduction in supply of water to San Jose and Santa Clara.

D. Upon issuance of the conditional notice of interruption or reduction, the SFPUC will prepare a new analysis of water supply that will be utilized by the San Francisco Planning Department in its preparation of any necessary documentation under CEQA pursuant to Section ~~4.07~~ on the impacts of interrupting or reducing service to San Jose and Santa Clara.

E. Such notice of interruption or reduction will be rescinded if the Commission finds, based upon a subsequent annual Water Supply Development Report, that (1) sufficient progress has been made toward meeting the Interim Supply Limitation, or (2) projections show that the ~~Interim Supply Limitation~~ projected purchases of the Wholesale Customers, including San Jose and Santa Clara, will ~~be met~~ not exceed 184 MGD by June 30, ~~2018~~ 2028.

F. In no case shall any interruption or reduction of service to San Jose or Santa Clara pursuant to this section become effective less than two years from the completion of the CEQA process (not including resolution of any appeals or litigation) or ~~five-ten~~ years from the notice, whichever is longer. If the ~~five-ten~~ year notice is issued after ~~2013~~ 2018, such interruption or reduction would ~~occur~~ be effective after ~~2018~~ 2028.

G. If deliveries to San Jose and Santa Clara are interrupted, existing turnout facilities to San Jose and Santa Clara will remain in place for possible use during emergencies.

H. San Francisco and the cities of San Jose and Santa Clara will cooperate with BAWSCA and the Santa Clara Valley Water District in the identification and implementation of additional water sources and conservation measures for the cities' service areas that are relevant to the water supply and the possible offer of permanent status for the two cities by the SFPUC.

4.06. San Francisco Decisions in ~~2018~~2028 Regarding Future Water Supply

A. By December 31, ~~2018~~2028, San Francisco will have completed any necessary CEQA review pursuant to Section 4.07 that is relevant to making San Jose and Santa Clara permanent customers of the Regional Water System and will decide whether or not to make San Jose and Santa Clara permanent customers of the Regional Water System ~~-~~ with a combined Individual Supply Guarantee of 9 MGD allocated equally between the two cities, as well as how much water in excess of 9 MGD it will supply to San Jose and Santa Clara. San Francisco will make San Jose and Santa Clara permanent customers only if, and to the extent that, San Francisco determines that Regional Water System long term water supplies are available. In the event that San Francisco decides to afford permanent status to San Jose and Santa Clara, this Agreement will be amended pursuant to Section 2.03.

B. By December 31, ~~2018~~2028, San Francisco will have completed any necessary CEQA review pursuant to Section 4.07 and will decide how much water, if any, in excess of the Supply Assurance it will supply to Wholesale Customers from the Regional Water System to meet their projected future water demands until the year ~~2030~~2040, and whether to offer a corresponding increase in the Supply Assurance as a result of ~~its determination~~ these determinations.

4.07. Retained Discretion of SFPUC and Wholesale Customers

A. This Agreement contemplates discretionary actions that the SFPUC and the Wholesale Customers may choose to take in the future that could result in physical changes to the environment ("Discretionary Actions"). The Discretionary Actions include decisions to:

1. Develop additional or alternate water resources by the SFPUC or one or more Wholesale Customers;
2. Implement the physical facilities comprising the WSIP by December ~~31, 2015;~~ 30, 2021;

3. Approve wheeling proposals by Wholesale Customers;
4. Approve new wholesale customers and water exchange or cost sharing agreements with other water suppliers;
5. Provide additional water to San Jose and/or Santa Clara;
6. Offer permanent status to San Jose and/or Santa Clara;
7. Reduce or terminate supply to San Jose and/or Santa Clara;
8. Provide additional water to Wholesale Customers in excess of the Supply Assurance to meet their projected future water demands; ~~and~~
9. Offer a corresponding volumetric increase in the Supply Assurance ~~;~~ and
10. Implement the Hetch Hetchy Water and Power projects listed in Attachment R-2.

The Discretionary Actions may require the SFPUC or Wholesale Customers to prepare environmental documents in accordance with CEQA prior to the SFPUC or the Wholesale Customers determining whether to proceed with any of the Discretionary Actions. Accordingly, and notwithstanding any provision of this Agreement to the contrary, nothing in this Agreement commits the SFPUC or the Wholesale Customers to approve or carry out any Discretionary Actions that are subject to CEQA. Furthermore, the SFPUC's or Wholesale Customers' decisions to approve any of these Discretionary Actions are subject to the requirement that San Francisco and each Wholesale Customer, as either a "Lead Agency" (as defined in Section 21067 of CEQA and Section 15367 of the CEQA Guidelines) or a "Responsible Agency" (as defined in Section 21069 of CEQA and Section 15381 of the CEQA Guidelines) shall have completed any CEQA-required environmental review prior to approving a proposed Discretionary Action.

B. In considering any proposed Discretionary Actions, the SFPUC and Wholesale Customers retain absolute discretion to: (1) make such modifications to any of the proposed Discretionary Actions as may be necessary to mitigate significant environmental impacts; (2) select feasible alternatives to the proposed Discretionary Actions that avoid significant adverse impacts; (3) require the implementation of specific measures to mitigate the significant adverse environmental impacts as part of the decision to approve the Discretionary Actions; (4) balance the benefits of the proposed Discretionary Actions against any significant environmental impacts before taking final actions to approve the proposed Discretionary Actions

if such significant impacts cannot otherwise be avoided; or (5) determine not to proceed with the proposed Discretionary Actions.

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Article 5. Wholesale Revenue Requirement

5.01. Scope of Agreement

This Article shall be applicable only to the water rates charged by San Francisco to the Wholesale Customers. Nothing contained in this Agreement shall limit, constrain, or in any way affect the rates which San Francisco may charge for water sold to Retail Customers or the methodology by which such rates are determined.

5.02. General Principles

This Article sets forth the method by which the Wholesale Customers' collective share of expenses incurred by the SFPUC in delivering water to them will be determined. This collective share is defined as the "Wholesale Revenue Requirement."

A. The SFPUC currently operates several enterprises, including the Water Enterprise, the Wastewater Enterprise, and the Hetch Hetchy Enterprise.

B. The Wastewater Enterprise is responsible for treating sewage within San Francisco and provides no benefit to the Wholesale Customers.

C. The Hetch Hetchy Enterprise is responsible for storing and transmitting water to the Water Enterprise, generating hydroelectric power and transmitting it to San Francisco, generating electric power within San Francisco, and distributing electricity and steam heat within San Francisco. Its water supply operations provide benefits to the Wholesale Customers.

D. The Water Enterprise delivers water to both Retail Customers, which are located both within and outside San Francisco, and to the Wholesale Customers, all of which are located outside San Francisco.

E. This Article implements two general principles as follows: (1) the Wholesale Customers should not pay for expenses of SFPUC operations from which they receive no benefit and (2) the Wholesale Customers should pay their share of expenses incurred by the SFPUC in delivering water to them on the basis of Proportional Annual Use unless otherwise explicitly provided in this Agreement.

F. To implement these general principles, the Wholesale Revenue Requirement will consist of, and be limited to, the Wholesale Customers' shares of the following categories of expense:

1. Capital cost recovery of Water Enterprise Existing Assets, and Hetch Hetchy Enterprise Existing Assets classified as Water-Only and the Water-Related portion of Joint assets (Section 5.03)
2. Contribution to the capital cost of Water Enterprise New Regional Assets (Section 5.04)
3. Water Enterprise operation and maintenance expenses, including power purchased from the Hetch Hetchy Enterprise that is used in the operation of the Water Enterprise (Section 5.05)
4. Water Enterprise administrative and general expenses (Section 5.06)
5. Water Enterprise property taxes (Section 5.07)
6. The Water Enterprise's share of the Hetch Hetchy Enterprise's operation and maintenance, administrative and general, and property tax expenses (Section 5.08)
7. The Water Enterprise's share of the Hetch Hetchy Enterprise's capital cost of New Assets classified as Water-Only and the Water-Related portion of Joint assets (Section 5.09)

In each of these cost categories, Direct Retail Expenses will be allocated entirely to Retail Customers. Direct Wholesale Expenses will be allocated entirely to the Wholesale Customers. Regional Expenses will be allocated between Retail Customers and Wholesale Customers as provided in this Article.

G. For purposes of establishing the rates to be charged Wholesale Customers, expenses will be based on the budget for, and estimates of water purchases in, the following fiscal year, as provided in Article 6. For purposes of accounting, the Wholesale Revenue Requirement will be determined on the basis of actual expenses incurred and actual water use, as provided in Article 7.

H. In addition, rates charged to Wholesale Customers may include the Wholesale Customers' contribution to a Wholesale Revenue Coverage Reserve, as provided in Section 6.06, which is not included in the Wholesale Revenue Requirement itself.

5.03. Capital Cost Recovery - Existing Regional Assets

A. SFPUC has previously advanced funds to acquire or construct Existing Assets used and useful in the delivery of water to both Wholesale Customers and Retail Customers. The parties estimate that the Wholesale Customers' share of the net book value of these assets, as of the expiration of the 1984 Agreement on June 30, 2009, will be approximately \$366,734,424, as shown on Attachment K-1.

B. In addition, SFPUC has also previously advanced funds received from Retail Customer revenues to acquire or construct assets included in Construction-Work-In-Progress (CWIP) as of June 30, 2009. The parties estimate that the Wholesale Customers' share of the book value of these revenue funded capital expenditures, as of the expiration of the 1984 Agreement on June 30, 2009, will be approximately \$15,594,990, as shown on Attachment K-2. The Wholesale Customers shall pay their share of the cost of Existing Assets and revenue-funded CWIP by amortizing the amounts shown on Attachment K-1 and Attachment K-2 over 25 years at an interest rate of 5.13 percent. The amounts to be included in the Wholesale Revenue Requirement pursuant to this section shall be the sum of the annual principal and interest amounts shown on Attachments K-3 (for Water Enterprise Regional Assets and the one Direct Wholesale Asset) and K-4 (for Hetch Hetchy Enterprise Water-Only Assets and the Water-Related portion [45 percent] of Joint assets) calculated on the basis of monthly amortization of principal as set forth on Attachments K-3 and K-4.

C. In addition, the Commission has previously appropriated funds, advanced through rates charged to Retail Customers, for construction of capital projects. Some of these projects are active, and have unexpended balances of appropriated funds that are not included in CWIP as of June 30, 2009. These projects, and the associated balances, are shown on Attachment K-5. Expenditures of funds from these balances during FY 2009-10, FY 2010-11 and FY 2011-12 will be reviewed in FY 2012-13. The SFPUC will prepare a report showing the amount expended in each year on each project and the total expended during all years on all projects that are categorized as Regional or, in the case of Hetch Hetchy Enterprise, are categorized as either Water-Only or Joint. The wholesale share of that total will be determined using the allocation principles in this Agreement based on Proportional Water Use during those three years. The result, plus accrued interest at the rate specified in Section 6.05.B, will be calculated by the SFPUC and its calculation reviewed by the Compliance Auditor as part of the Compliance Audit for FY 2012-13. The audited total will be paid based on a schedule of level

annual principal and interest amounts over ten years at an interest rate of 4.00%, calculated on a monthly amortization basis. All or any portion of the balance may be prepaid. The first year's payment will be included in the Wholesale Revenue Requirement for FY 2014-15.

D. The parties agree that the Wholesale Customers' share of the net book values of Existing Regional Assets as of June 30, 2008 as shown on Attachment K-1 are accurate. The compliance audit conducted on the calculation of the FY 2008-09 Suburban Revenue Requirement required by the 1984 Agreement will determine the actual amounts of depreciation on, and capital additions to, plant in service during that fiscal year. Those amounts will be compared to the corresponding estimates shown on Attachments K-1 and K-2. The differences will be added to or subtracted from the estimated asset values shown on Attachments K-1 and K-2 and the amortization schedules in Attachments K-3 and K-4 will be recalculated. The wholesale allocation factors shall be fixed at 70.1% for the Water Enterprise Existing Assets and 64.2% for Hetch Hetchy Enterprise Existing Assets for both the preliminary and final payment schedules. The SFPUC will prepare and provide to the Wholesale Customers revised Attachments K-1 through K-4 based on the Wholesale Customers' share of the net book value of the assets placed in service as of June 30, 2009 used to provide water service to the Wholesale Customers and the net book value of revenue-funded CWIP expended as of June 30, 2009. The revised Attachments K-1 through K-4 shall be approved by the General Manager of the SFPUC and the General Manager/CEO of BAWSCA and will be substituted for the original Attachments K-1 through K-4.

E. The original Attachments K-1 through K-4, based on estimates, shall be used for estimating the Wholesale Revenue Requirement for the fiscal year beginning July 1, 2009. The revised Attachments, based on audited actuals, shall be used to determine the actual Wholesale Revenue Requirement for FY 2009-10 and to determine the Wholesale Revenue Requirement(s) in all subsequent years, except as may be provided elsewhere in this Agreement.

F. The Wholesale Customers, acting through BAWSCA, may prepay the remaining unpaid Existing Assets principal balance, in whole or in part, at any time without penalty or early payment premium. Any prepayments will be applied in the month immediately following the month in which the prepayment is made and the revised monthly amount(s) will be used to calculate the Wholesale Revenue Requirement. Any partial prepayments must be in an amount at least equal to \$10 million. In the event of a partial prepayment, an updated schedule for the

remaining payments shall be prepared reflecting the unpaid balance after prepayment, amortized through the end of FY 2034, calculated as provided in this section. The updated schedule, approved by the General Manager of the SFPUC and the General Manager/CEO of BAWSCA, will be substituted for Attachment K-3 and/or Attachment K-4.

5.04. Capital Cost Contribution - New Regional Assets

A. **Debt-Funded Capital Additions.** The Wholesale Customers shall pay the wholesale share of Net Annual Debt Service for New Regional Assets. The Regional projects in the WSIP are identified in Attachment L-1.

1. The amount of Net Annual Debt Service for New Regional Assets will be determined for each series of Indebtedness issued. Until the proceeds of a particular series are Substantially Expended, the amount attributable to specific projects will be based on the expected use of proceeds shown in the "Certificate Regarding Use of Proceeds" executed by the SFPUC General Manager on behalf of the Commission in connection with the sale of the Indebtedness, provided such certificate identifies the use of proceeds at a level of detail equivalent to that shown on Attachment L-2, which is a copy of the certificate prepared for the 2006 Revenue Bonds, Series A. If a certificate does not identify the use of proceeds at that level of detail, the SFPUC General Manager shall prepare and execute a separate certificate which does identify the use of proceeds at the level of detail shown on Attachment L-2 and deliver it to BAWSCA within 15 days from the closing of the sale of the Indebtedness.

2. After the proceeds of a series are Substantially Expended, the SFPUC General Manager will prepare and execute a certificate showing the actual expenditure of proceeds at a level of detail equivalent to the initial General Manager certificate. The resulting allocation of Net Debt Service to New Regional Assets for a series of bonds will be used in the fiscal year in which the proceeds have been Substantially Expended and thereafter. Differences between the amount of Net Debt Service paid by Wholesale Customers prior to that year and the amount of Net Debt Service that they should have paid during that time based on the actual expenditure of proceeds will be taken into account in calculation of the balancing account for the fiscal year in which the proceeds were Substantially Expended. The application of the remaining proceeds shall be proportionate to the allocation of the Net Debt Service to New Regional Assets.

3. The Wholesale Customers' share of Net Annual Debt Service for the New Regional Assets that are categorized as Direct Wholesale will be 100 percent. (None of the

projects in the WSIP are categorized as Direct Wholesale.) The Wholesale Customers' share of Net Annual Debt Service for all other New Regional Assets will be determined each year and will be equal to the Wholesale Customers' Proportional Annual Use.

4. If Indebtedness is issued by the SFPUC to refund the 2006 Revenue Bonds, Series A or to refund any other long-term Indebtedness issued after July 1, 2009, the Net Annual Debt Service attributable to proceeds used for refunding will be allocated on the same basis as the Indebtedness being refunded.

5. The SFPUC will prepare an annual report showing for each issue of Indebtedness and through the most recently completed fiscal year: (1) net financing proceeds available to pay project costs, (2) actual earnings on proceeds, (3) actual expenditures by project. The report shall be substantially in the form of Attachment L-3 and shall be delivered to BAWSCA on or before November 30 of each year, commencing November 2009.

6. In addition to Net Debt Service, Wholesale Customers will pay a proportionate share of annual administrative costs associated with Indebtedness, such as bond trustee fees, credit rating agency fees, letter of credit issuer fees, San Francisco Revenue Bond Oversight Committee fees, etc., but only to the extent such fees are neither paid from proceeds of Indebtedness nor included in SFPUC operation and maintenance or administrative and general expenses.

B. **Revenue-Funded Capital Additions.** The Wholesale Customers shall pay the wholesale share of the appropriation contained in the SFPUC annual budget for each year to be used to acquire or construct New Regional Assets. If such appropriations are reimbursed from proceeds of Indebtedness, the Wholesale Customers will be credited for prior payments made under this Section 5.04.B.

The Wholesale Customers' share of the annual appropriation for revenue-funded New Regional Assets that are categorized as Direct Wholesale will be 100 percent. (None of the Repair and Replacement projects in the SFPUC's most recent capital improvement program updated on February 10, 2009, is categorized as Direct Wholesale.) The Wholesale Customers' share of the annual appropriation for all other revenue-funded New Regional Assets will be determined each year and will be equal to the Wholesale Customers' Proportional Annual Use in each fiscal year. The amount appropriated in each fiscal year for the wholesale share of New Regional Assets shall be contributed to the Wholesale Capital Fund described in Section 6.08 and reported on and administered as shown in that section and Attachments M-1 through M-3.

5.05. Water Enterprise Operation and Maintenance Expenses

There are five categories of Water Enterprise Operation and Maintenance Expenses, described below:

A. Source of Supply

1. Description: This category consists of the costs of labor, supervision and engineering; materials and supplies; and other expenses incurred in the operation and maintenance of collecting and impounding reservoirs, dams, wells and other water supply facilities located outside San Francisco; watershed protection; water supply planning; and the purchase of water.

2. Allocation: Direct Retail expenses, including water supply planning for Retail operations (such as City Retail water conservation programs), will be assigned to the Retail Customers. Regional expenses will be allocated between Retail Customers and Wholesale Customers on the basis of Proportional Annual Use. Direct Wholesale expenses will be assigned to the Wholesale Customers. (As of the Effective Date there are no Direct Wholesale expenses in the Source of Supply category.)

B. Pumping

1. Description: This category consists of the costs of labor, supervision and engineering; materials and supplies; and other expenses incurred in the operation and maintenance of water pumping plants, ancillary structures and equipment and surrounding grounds; and fuel and power purchased for pumping water.

2. Allocation: Direct Retail expenses will be assigned to the Retail Customers. Regional expenses will be allocated between Retail Customers and Wholesale Customers on the basis of Proportional Annual Use. Direct Wholesale expenses will be assigned to the Wholesale Customers. (As of the Effective Date there are no Direct Wholesale expenses in the Pumping category.)

C. Treatment

1. Description: This category consists of the costs of labor, supervision and engineering; materials and supplies and other expenses incurred in the operation and maintenance of water treatment plants and drinking water quality sampling and testing. The

cost of water quality testing will not include expenses incurred on behalf of the Wastewater Enterprise. Any remaining costs, after adjusting for the Wastewater Enterprise, will be reduced by the amount of revenue received for laboratory analyses of any type performed for agencies, businesses and/or individuals other than the Water and Hetch Hetchy Enterprises.

2. Allocation: Direct Retail expenses will be assigned to the Retail Customers. Regional expenses will be allocated between Retail Customers and Wholesale Customers on the basis of Proportional Annual Use. Direct Wholesale expenses will be assigned to the Wholesale Customers. (As of the Effective Date there are no Direct Wholesale expenses in the Treatment category.)

D. **Transmission and Distribution**

1. Description: This category consists of the cost of labor, supervision and engineering; materials and supplies; and other expenses incurred in the operation and maintenance of transmission and distribution pipelines, appurtenances, meters (other than those expenses payable by individual Wholesale Customers pursuant to Section 5.10.C.3), distribution reservoirs storing treated water, craft shops and auto shops servicing vehicles used for operation and maintenance of the Regional Water System rather than for Direct Retail facilities, and miscellaneous facilities related to the transmission and distribution of water.

2. Allocation: Direct Retail Transmission and Distribution expenses will be assigned to the Retail Customers. Regional Transmission and Distribution expenses will be allocated between Retail and Wholesale Customers on the basis of Proportional Annual Use. Expenses incurred for the operation and maintenance of three terminal reservoirs, i.e., Sunset Reservoir (North and South Basins), University Mound Reservoir (North and South Basins), and Merced Manor Reservoir, as well as transmission pipelines delivering water to them, are classified as Regional expenses notwithstanding the location of the reservoirs within San Francisco. Direct Wholesale expenses will be assigned to the Wholesale Customers. (As of the Effective Date the only Direct Wholesale expenses in the Transmission and Distribution category are associated with the Palo Alto pipeline.)

E. **Customer Services**

1. Description: This category consists of labor; materials and supplies; and other expenses incurred for meter reading, customer record keeping, and billing and collection for the Water Enterprise.

2. Allocation: Customer Services expenses will be allocated among the Water Enterprise, the Wastewater Enterprise, and Hetch Hetchy Enterprise in proportion to the time spent by employees in Customer Services for each operating department/enterprise. The Water Enterprise's share of Customer Services expense will be allocated 98 percent to the Retail Customers and two percent to the Wholesale Customers, as illustrated on Attachment N-2, Schedule 1.

5.06. Water Enterprise Administrative and General Expenses

Administrative and General expenses consist of the Water Enterprise's share of the cost of general government distributed through the full-cost Countywide Cost Allocation Plan, the services of SFPUC support bureaus, Water Enterprise administrative and general expenses that cannot be directly assigned to a specific operating and maintenance category, and the cost of the Compliance Audit. These four subcategories, and the method by which costs in each are to be calculated and allocated, are as follows:

A. Countywide Cost Allocation Plan

1. Description: This subcategory consists of the Water Enterprise's share of the costs of San Francisco general government and other City central service departments which are not directly billed to the Water Enterprise or other operating departments. All San Francisco operating departments are assigned a prorated share of these costs through the full-cost Countywide Cost Allocation Plan (COWCAP) prepared annually by the San Francisco Controller.

2. Allocation: The Water Enterprise's assigned share of central government costs as shown in the annual full-cost COWCAP prepared by the San Francisco Controller, will be allocated between Retail Customers and Wholesale Customers on the basis of the composite percentage of the allocated expenses in the five categories of operation and maintenance expense described in Section 5.05. The composite wholesale percentage shown on Attachment N-2, Schedule 1 is 42.07 percent, derived by dividing the wholesale share of Operation and Maintenance expenses (\$46,573,883) by total Operation and Maintenance expenses (\$110,700,133).

B. Services of SFPUC Bureaus

1. Description: This subcategory consists of the support services provided to the Water Enterprise by the SFPUC Bureaus, which presently consist of the General Manager's Office, Business Services, External Affairs, and Infrastructure Bureau. Business Services presently includes Financial Services, Information Technology Services, Human Resource Services, Fleet Management, and Customer Services.

2. Allocation: There are three steps involved in determining the Wholesale Customers' share of SFPUC Bureau costs.

a. Step One: Bureau expenses which have either been recovered separately or which provide no benefit to Wholesale Customers will be excluded. Examples of Bureau expenses recovered separately include (1) Customer Services expenses, which are recovered as provided in Section 5.05.E, and (2) Infrastructure expenses, which are assigned to individual projects and capitalized. An example of a Bureau expense that provides no benefit to Wholesale Customers is Information Technology Services expenses for support of the San Francisco Municipal Railway. In addition, the SFPUC will continue its practice of assigning City Attorney Office expenses charged to the General Manager's Office for projects or lawsuits that relate to only one enterprise directly to that enterprise. For example, costs related to a lawsuit involving the Wastewater Enterprise will not be assigned to the Water Enterprise.

b. Step Two: Bureau expenses adjusted as provided in Step One will be allocated among the Water Enterprise, the Wastewater Enterprise and the Hetch Hetchy Enterprise on the basis of the actual salaries of employees in each enterprise or department, as illustrated on Attachment N-2, Schedule 7.

c. Step Three: The amount allocated to the Water Enterprise through Step Two will be allocated between Retail Customers and Wholesale Customers on the basis of Proportional Annual Use.

C. Water Enterprise Administrative and General

1. Description: This category includes expenses incurred by the Water Enterprise that are not readily assignable to specific operating divisions. This category includes the following expenses:

a. Water Administration: This includes the costs of labor and other expenses of the administrative section of the Water Enterprise, supervision and engineering

expenses, professional services, travel and training, equipment purchases, and materials and supplies not directly assignable to a specific operating unit.

b. Services Provided by Other City Departments: This includes charges of other San Francisco departments directly billed to the Water Enterprise administration by other San Francisco departments for services ordered by the Water Enterprise, such as legal services, risk management, telecommunications, employee relations, purchasing, mail services, and workers compensation claims paid.

c. Litigation and Claims Paid: This includes charges incurred for attorney services and claims and judgments paid in litigation arising from the operation of the Water Enterprise.

2. Allocation: In each of these three subcategories, expenses that benefit only Retail Customers will be excluded. For example, the cost of claims and judgments resulting from a break in or leak from pipelines or reservoirs in the Retail Service Area (with the exception of the three terminal reservoirs and pipelines delivering water to them) will be assigned to the Retail Customers. Remaining Water Enterprise Administrative and General expenses will be allocated between Retail Customers and Wholesale Customers on the basis of the composite percentage of allocated operation and maintenance expense categories described in Section 5.05.

D. Compliance Audit. The cost of the Compliance Audit described in Section 7.04 will be assigned 50 percent to the Retail Customers and 50 percent to the Wholesale Customers.

5.07. Water Enterprise Property Taxes

A. Description: This category consists of property taxes levied against property owned by San Francisco located in Alameda, San Mateo and Santa Clara counties and used and managed by the SFPUC.

B. Allocation: All property taxes paid, net of (1) reimbursements received from lessees and permit holders, and (2) refunds from the taxing authority, are Regional expenses. Net property taxes will be allocated between Retail Customers and Wholesale Customers on the basis of Proportional Annual Use.

5.08. Hetch Hetchy Enterprise Expenses

A. **Introduction.** There are two steps involved in determining the amount of the Wholesale Customers' share of Hetch Hetchy Enterprise expenses.

1. The first step is to determine the Water Enterprise's share of Hetch Hetchy Enterprise operation expenses, maintenance expenses, administrative and general expenses, and property taxes.

2. The second step is to determine the Wholesale Customers' share of expenses allocable to the Water Enterprise.

B. Determination of the Water-Related Portion of Hetch Hetchy Enterprise Expenses

1. **Operation and Maintenance Expenses:** This category consists of the cost of labor, materials and supplies, and other expenses incurred in operating and maintaining Hetch Hetchy Enterprise physical facilities.

a. **Description:** Expenses associated exclusively with the production and distribution of hydroelectric power (e.g., generating plants and power transmission lines and towers, transformers and associated electric equipment, purchased power, wheeling charges, rental of power lines, etc.) are categorized as Power-Only and are allocated to power. Expenses associated exclusively with the operation and maintenance of facilities that serve only the water function (e.g., water transmission pipelines and aqueducts, activities related to compliance with federal and state drinking water quality laws, etc.) are categorized as Water-Only and are allocated entirely to water. Expenses associated with the operation and maintenance of facilities that serve both the water and power functions (e.g., dams, security programs, etc.) are categorized as Joint and are reallocated as 55 percent Power-Related and 45 percent Water-Related.

2. **Administrative and General Expenses:** There are three subcategories of Hetch Hetchy Enterprise Administrative and General expenses.

a. **Full-Cost Countywide Cost Allocation Plan:** This subcategory consists of the cost of San Francisco general government and other City central service departments which are not directly billed to operating departments but allocated through the full-cost Countywide Cost Allocation Plan described in Section 5.06.A. Costs in this subcategory

are classified as Joint, and are reallocated as 55 percent Power-Related and 45 percent Water-Related.

b. SFPUC Bureau Costs: This subcategory consists of the expenses described in Section 5.06.B. One hundred percent of Customer Services expenses allocated to the Hetch Hetchy Enterprise are categorized as Power-Only. The remaining amount of Bureau expenses allocated to the Hetch Hetchy Enterprise pursuant to Section 5.06.B will be reallocated between power and water in proportion to the salaries of Hetch Hetchy Enterprise employees assigned to each function as shown on Attachment N-2, Schedule 7.1.

c. Other Administrative and General: This subcategory includes payments to the United States required by the Act, labor, supervision and engineering and other costs not readily assignable to a specific operation or maintenance function or program. Costs related to power administration (such as long range planning and policy analysis for energy development, administration of power contracts, and administration of work orders to City departments for energy services) are Power-Only costs. Costs related to water administration (such as legal and professional services for the protection of the City's water rights) are Water-Only costs and will be assigned to the Water Enterprise. Costs related to both power administration and water administration (such as general administration, office rents, office materials and supplies, and services of other City departments benefitting to both power and water are Joint administrative and general costs and are reallocated as 55 percent Power-Related and 45 percent Water-Related.

3. Property Taxes. This category consists of property taxes levied against property owned by San Francisco in Tuolumne, Stanislaus, San Joaquin, and Alameda counties and operated and managed by the Hetch Hetchy Enterprise.

Allocation: Property taxes are classified as Joint costs. They will be reallocated as 55 percent Power-Related and 45 percent Water-Related.

C. **Calculation of Wholesale Customers' Share of Hetch Hetchy Enterprise Expenses**. The Water Enterprise's share of Hetch Hetchy Enterprise expenses consist of 100 percent of Water-Only expenses and the Water-Related portion (45%) of Joint expenses.

The Wholesale Customers' share of the sum of the Water Enterprise's share of Hetch Hetchy Enterprise expenses determined under subsection B shall be calculated by multiplying that dollar amount by Adjusted Proportional Annual Use.

5.09. Hetch Hetchy Enterprise Capital Costs

A. **Introduction.** Wholesale Customers are also allocated a share of Hetch Hetchy Enterprise capital costs.

B. **Components of Capital Costs.** The components of Hetch Hetchy Enterprise capital costs are as follows:

1. **Existing Assets Cost Recovery.** The Wholesale Customers' repayment of their share of Hetch Hetchy Existing Assets (Water-Only and the Water-Related portion [45 percent] of Joint assets) is shown on Attachment K-4 accompanying Section 5.03.

2. **Debt Service on New Assets.** The Water Enterprise will be assigned 100 percent of Net Annual Debt Service attributable to acquisition and construction of New Hetch Hetchy Enterprise assets that are Water-Only and the Water-Related portion (45 percent) of Net Annual Debt Service on New Hetch Hetchy Enterprise Joint assets. The provisions of Section 5.04.A apply to debt service on New Hetch Hetchy Enterprise assets.

3. **Revenue-Funded Capital Additions.** The Water Enterprise will be assigned 100 percent of capital expenditures from revenues for New Hetch Hetchy Enterprise assets that are Water-Only and the Water-Related portion (45 percent) of such expenditures for new Hetch Hetchy Enterprise Joint assets. The provisions of Section 5.04.B apply to the payment of New revenue-funded Hetch Hetchy Enterprise assets.

C. **Calculation of Wholesale Customers' Share of Hetch Hetchy Enterprise Capital Costs.** The Wholesale Customers' share of the Net Annual Debt Service and revenue funded capital expenditures determined under subsections B.2 and 3 shall be calculated by multiplying that dollar amount by Adjusted Proportional Annual Use.

5.10. Additional Agreements Related to Financial Issues

A. **Wholesale Customers Not Entitled to Certain Revenues.** The Wholesale Customers have no entitlement to any of the following sources of revenue to the SFPUC.

1. Revenues from leases or sales of SFPUC real property.
2. Revenues from the other utility services such as the sale of electric power, natural gas and steam.

3. Revenues from the sale of water to customers and entities other than the Wholesale Customers.

4. Revenues earned from the investment of SFPUC funds other than funds contributed by the Wholesale Customers to the Wholesale Revenue Coverage Reserve described in Section 6.06 or the Wholesale Capital Fund described in Section 6.08. Wholesale Customers are also entitled to the benefit of earnings on proceeds of Indebtedness (through expenditure on New Regional Assets and /or application to Debt Service) and to interest on the Balancing Account as provided in Section 6.05.B.

5. Revenues not related to the sale of water.

B. **Wholesale Customers Not Charged with Certain Expenses**. The Wholesale Customers will not be charged with any of the following expenses:

1. Capital costs for assets constructed or acquired prior to July 1, 1984 other than Existing Asset costs that are repaid pursuant to Section 5.03.

2. Expenses incurred by the SFPUC for generation and distribution of electric power, including Hetch Hetchy Enterprise Power-Only expenses and the Power-Related share of Hetch Hetchy Enterprise Joint expenses. An exception to this is Regional energy costs incurred by the Water Enterprise, for which Wholesale Customers are charged on the basis of Proportional Annual Use.

3. Expenses incurred by SFPUC in providing water to Retail Customers.

4. Expenses associated with the SFPUC's accruals or allocations for uncollectible Retail Water accounts.

5. Attorneys' fees and costs incurred by the Wholesale Customers that a court of competent jurisdiction orders San Francisco to pay as part of a final, binding judgment against San Francisco as provided in Section 8.03.B.2.

6. Any expenses associated with funding any reserves (other than the required Wholesale Revenue Coverage Reserve described in Section 6.06) accrued and not anticipated to be paid within one year unless such reserve is established by mutual agreement of the SFPUC and BAWSCA.

7. Any expenses accrued in respect to pending or threatened litigation, damage or personal injury claims or other loss contingencies unless projected to be paid within

one year. Otherwise, such expenses will be charged to the Wholesale Customers when actually paid.

8. Any expense associated with installing, relocating, enlarging, removing or modifying meters and service connections at the request of an individual Wholesale Customer.

9. The Retail Customers' portion of any Environmental Enhancement Surcharges imposed to enforce the Interim Supply Limitation set forth in Section 4.04.

C. **Revenues Not Credited to Payment of Wholesale Revenue Requirement.**

The following payments by Wholesale Customers, individually or collectively, are not credited as Wholesale revenues for purposes of Section 6.05.B:

1. Payments by individual Wholesale Customers of the Environmental Enhancement Surcharge imposed to enforce the Interim Supply Limitation set forth in Section 4.04.
2. Payments of attorneys' fees and costs incurred by San Francisco that a court of competent jurisdiction orders the Wholesale Customers to pay as part of a final, binding judgment against the Wholesale Customers, as provided in Section 8.03.B.3.
3. Payments by individual Wholesale Customers for installation, relocation, enlargement, removal or modification of meters and service connections requested by, and charged to, a Wholesale Customer.
4. Payments applied to the amortization of the ending balance in the balancing account under the 1984 Agreement, pursuant to Section 6.05.A.
5. Payments of the Water Management Charge which are delivered to BAWSCA pursuant to Section 3.06.
6. Payments directed to the Wholesale Revenue Coverage Reserve pursuant to Section 6.06.
7. Prepayments authorized by Sections 5.03.C and 5.03.F.

D. **Other**

1. The Wholesale Customers will receive a proportional benefit from funds received by the SFPUC from (a) governmental grants, rebates, reimbursements or other subventions, (b) private-sector grants for Regional capital or operating purposes of the Water

Enterprise and the Water-Only and Water-related portion of Joint Hetch Hetchy Water Enterprise expenses, or (c) a SFPUC use of taxable bonds.

2. The Wholesale Customers will receive a proportionate benefit from recovery of damages, including liquidated damages, by SFPUC from judgments against or settlements with contractors, suppliers, sureties, etc., related to Regional Water System projects and the Water-Only and Water-Related portion of Joint Hetch Hetchy Enterprise projects.

3. The SFPUC will continue to charge Wholesale Customers for assets acquired or constructed with proceeds of Indebtedness on which Wholesale Customers paid Debt Service during the Term of this Agreement on the “cash” basis (as opposed to the “utility” basis) after the expiration or earlier termination of this Agreement. The undertaking in this Section 5.10.D.3 will survive the expiration or earlier termination of this Agreement.

5.11. Classification of Existing System Assets.

Existing System Assets of the Regional Water System include the water storage, transmission, and treatment systems owned and operated by San Francisco in Tuolumne, Stanislaus, San Joaquin, Alameda, Santa Clara, San Mateo and San Francisco Counties. These assets are managed by either the Water Enterprise or the Hetch Hetchy Enterprise and the assets have been classified for purposes of cost allocation.

A. **Water Enterprise Assets.** Water Enterprise assets are currently managed, operated, and maintained by the Water Enterprise and are generally located west of Alameda East Portal, in addition to the treatment facilities located at Tesla and the Thomas Shaft Emergency Disinfection Facility. These assets are classified as Direct Retail, Direct Wholesale, or Regional.

B. **Hetch Hetchy Enterprise Assets.** Hetch Hetchy Enterprise assets are currently managed, operated and maintained by the Hetch Hetchy Enterprise and are generally located east of the Alameda East Portal of the Coast Range Tunnel in Sunol Valley, Alameda County. These assets are classified as Power-Only, Water-Only, or Joint, in accordance with Sections 5.08 and 5.09. Through the Wholesale Revenue Requirement, the Wholesale Customers pay Existing System Asset capital costs and operating expenses in accordance with Section 5.02.F and do not pay capital costs or operating expenses associated with assets classified as Direct Retail, Power-Only, and the Power-Related portion of Joint assets.

C. **Attachment R Documents Classifications.** To facilitate WSA administration, Attachment R documents the classification of major Existing System Assets operated by the Hetch Hetchy Enterprise. Attachment R consists of three documents: R-1 Introduction, R-2 Special Classification of Discrete Projects for 2018 Amendment Purposes, and R-3 Major Hetch Hetchy Enterprise Existing System Assets. Attachment R may be modified as specified in Section 5.11.D and in the manner set forth in Section 2.03.C.

D. **Attachment R-3, Major Hetch Hetchy Enterprise Existing System Assets is Not Exhaustive.** Existing System Assets include, but are not limited to, land; fixed infrastructure such as dams, tunnels, buildings, water treatment plants and pipelines; equipment such as pumps and vehicles; and related appurtenances. Major Hetch Hetchy Enterprise Existing System Assets, and their classifications, are listed in Attachment R-3. Attachment R-3 does not include all assets of the Regional Water System, but represents the parties' best efforts to document major Hetch Hetchy Enterprise Existing System Assets that would incur capital costs and operating expenses subject to cost allocation. The classification of assets listed on R-3 may not be changed during the Term, any Extension Term, and any renewal of the Agreement, however, Attachment R-3 may be modified by mutual agreement in accordance with Section 2.03.C to (1) add an asset that was inadvertently omitted, (2) to add a new asset, and (3) remove a destroyed or obsolete asset. In the event that the parties cannot agree on the classification of any omitted or new assets, the dispute shall be subject to arbitration under Section 8.01.

E. **Attachment R-3, Major Hetch Hetchy Enterprise Existing System Assets Classifications are Fixed.** The classification of the major Hetch Hetchy Enterprise Existing System Assets is fixed and shall control the allocation of capital costs and operating expenses for the remainder of the Term, any Extension Terms, and any renewal of the Agreement. However, changes may be proposed in accordance with subsection G below. Capital costs and operating expenses are meant to be inclusive of all costs related to assets, including, but not limited to, any alterations, additions, improvements, rehabilitation, replacement of assets, and equipment that is appurtenant thereto. Since asset classifications are fixed in Attachment R-3, asset classifications may not be modified by mutual agreement in accordance with Section 2.03.C.

F. **Attachment R-2, Special Classification of Discrete Projects for 2018 Amendment Purposes.** Past, ongoing and future capital projects involving five Hetch Hetchy

Enterprise Existing System Assets defined in Attachment R-2 have classifications that differ from the underlying asset classifications. These project-related classification changes shown on Attachment R-2, are part of the 2018 amendments to the Agreement and are not precedential for any other asset-related capital cost or operating expense. With the exception of the defined projects related to the five assets listed on R-2, the capital projects for all assets follow the asset classifications. Capital projects listed on Attachment R-2 must be approved by the SFPUC following necessary CEQA review.

G. Five Year Notice of Intent to Renegotiate Cost Allocation. In the event San Francisco or the Wholesale Customers, which may be represented by BAWSCA, wish to propose and negotiate a change in Existing System Asset classifications, or a change in the Water-Related portion (45 percent) of Joint expenses, for the next Water Supply Agreement, such party must provide the other at least 5 years' written notice prior to the expiration of the Term or Extension Term, or the renewal of the Agreement. At a minimum, the noticing party must provide a comprehensive analysis of the financial and rate impacts of the proposed change at least two years prior to the expiration of the Term or Extension Term, or the renewal of the Agreement.

To meet this requirement, the parties may agree to jointly analyze, under a separate agreement, system capacity and usage and/or new assets, as well as other possible alternative cost allocation methodologies. Either party may also unilaterally initiate such studies by consultants of their choice and bear all their own costs.

Article 6. Integration of Wholesale Revenue Requirement with SFPUC Budget Development and Rate Adjustments

6.01. General

A. The purpose of the allocation bases set forth in Article 5 is to determine the Wholesale Revenue Requirement for each fiscal year. The Wholesale Revenue Requirement can only be estimated in advance, based on projected costs and water deliveries. These projections are used to establish water rates applicable to the Wholesale Customers.

B. After the close of each fiscal year, the procedures described in Article 7 will be used to determine the actual Wholesale Revenue Requirement for that year, based on actual costs incurred, allocated according to the provisions of Article 5, and using actual water delivery data. The amount properly allocated to the Wholesale Customers shall be compared to the amount billed to the Wholesale Customers for the fiscal year, other than those identified in Section 5.10.C. The difference will be entered into a balancing account to be charged to, or credited to, the Wholesale Customers, as appropriate.

C. The balancing account shall be managed as described in Section 6.05.

6.02. Budget Development

The SFPUC General Manager will send a copy of the proposed SFPUC budget to BAWSCA at the same time as it is sent to the Commission. In addition, a copy of materials submitted to the Commission for consideration at meetings prior to the meeting at which the overall SFPUC budget is considered (including (a) operating budgets for the Water Enterprise and the Hetch Hetchy Enterprise, (b) budgets for SFPUC Bureaus, and (c) capital budgets for the Water Enterprise and the Hetch Hetchy Enterprise) will also be sent to BAWSCA concurrently with their submission to the Commission.

6.03. Rate Adjustments

A. **Budget Coordinated Rate Adjustments.** Adjustments to the rates applicable to the Wholesale Customers shall be coordinated with the budget development process described in this section except to the extent that Sections 6.03.B and 6.03.C authorize emergency rate increases and drought rate increases, respectively.

If the SFPUC intends to increase wholesale water rates during the ensuing fiscal year, it will comply with the following procedures:

1. Adjustments to the wholesale rates will be adopted by the Commission at a regularly scheduled meeting or at special meeting, properly noticed, called for the purpose of adjusting rates or for taking any other action under the jurisdiction of the Commission.

2. The SFPUC will send a written notice by mail or electronic means to each Wholesale Customer and to BAWSCA of the recommended adjustment at least thirty (30) days prior to the date of the meeting at which the Commission will consider the proposed adjustment. The notice will include the date, time and place of the Commission meeting.

3. The SFPUC shall prepare and provide to each Wholesale Customer and to BAWSCA the following materials: (a) a table illustrating how the increase or decrease in the Wholesale Revenue Requirement and wholesale rates were calculated, substantially in the form of Attachment N-1, (b) a schedule showing the projected expenses included in the Wholesale Revenue Requirement for the fiscal year for which the rates are being proposed, and supporting materials, substantially in the form of Attachment N-2, and (c) a schedule showing projected water sales, Wholesale Revenue Requirements and wholesale rates for the fiscal year for which rates are being set and the following four years, substantially in the form of Attachment N-3. These materials will be included with the notification required by Section 6.03.A.2.

4. Rate adjustments will be effective no sooner than thirty (30) days after adoption of the wholesale rate by the Commission.

5. San Francisco will use its best efforts to provide the Wholesale Customers with the information described above. San Francisco's failure to comply with the requirements set forth in this section shall not invalidate any action taken by the Commission (including, but not limited to, any rate increase or decrease adopted). In the event of such failure, the Wholesale Customers may either invoke arbitration, as set forth in Section 8.01, or seek injunctive relief, to compel San Francisco to remedy the failure as soon as is reasonably practical, and San Francisco shall be free to oppose the issuance of the requested judicial or arbitral relief on any applicable legal or equitable basis. The existence of this right to resort to arbitration shall not be deemed to preclude the right to seek injunctive relief.

6. Because delays in the budget process or other events may cause San Francisco to defer the effective date of Wholesale Customer rate adjustments until after the beginning of San Francisco's fiscal year, nothing contained in this Agreement shall require San Francisco to make any changes in the water rates charged to Wholesale Customers effective at

the start of San Francisco's fiscal year or at any other specific date. Nothing in the preceding sentence shall excuse non-compliance with the provisions of Section 6.02 and this section.

B. **Emergency Rate Increases.** The Commission may adjust the Wholesale Customers' rates without complying with the requirements of Section 6.03.A in response to an Emergency that damages the Regional Water System and disrupts San Francisco's ability to maintain normal deliveries of water to Retail and Wholesale Customers. In such an Emergency, the Commission may adopt an emergency rate surcharge applicable to Wholesale Customers without following the procedures set forth in this section, provided that any such rate surcharge imposed by the Commission shall be applicable to both Retail and Wholesale Customers and incorporate the same percentage increase for all customers. Any emergency rate surcharge adopted by the Commission shall remain in effect only until the next-budget coordinated rate-setting cycle.

C. **Drought Rates.** If the Commission declares a water shortage emergency under Water Code Section 350, implements the Tier 1 Shortage Plan (Attachment H) described in Section 3.11.C, and imposes drought rates on Retail Customers, it may concurrently adjust wholesale rates independently of coordination with the annual budget process. Those adjustments may be designed to encourage water conservation and may constitute changes to the structure of the rates within the meaning of Section 6.04. The parties agree, however, that, in adopting changes in rates in response to a declaration of water shortage emergency, the Commission shall comply with Section 6.03.A.1 and 2 but need not comply with Section 6.04.B. Drought Rate payments and payments of excess use charges levied in accordance with the Tier 1 Shortage Plan described in Section 3.11.C constitute Wholesale Customer Revenue and count towards the Wholesale Revenue Requirement. The SFPUC may use these revenues to purchase additional water for the Wholesale Customers from the State Drought Water Bank or other willing seller.

6.04. Rate Structure

A. This Agreement is not intended and shall not be construed to limit the Commission's right (a) to adjust the structure of the rate schedule applicable to the Wholesale Customers (i.e., the relationship among the several charges set out therein) or (b) to add, delete, or change the various charges which make up the rate schedule, provided that neither such charges nor the structure of the rate schedule(s) applicable to the Wholesale Customers shall be arbitrary, unreasonable, or unjustly discriminatory as among said customers. The

SFPUC will give careful consideration to proposals for changes in the rate schedule made jointly by the Wholesale Customers but, subject to the limitations set out above, shall retain the sole and exclusive right to determine the structure of the rate schedule.

B. If the SFPUC intends to recommend that the Commission adopt one or more changes to the structure of wholesale rates (currently set forth in SFPUC Rate Schedule W-25), it shall prepare and distribute to the Wholesale Customers and BAWSCA a report describing the proposed change(s), the purpose(s) for which it/they are being considered, and the estimated financial effect on individual Wholesale Customers or classes of customers. Wholesale Customers may submit comments on the report to the SFPUC for sixty (60) days after receiving the report. The SFPUC will consider these comments and, if it determines to recommend that the Commission adopt the change(s), as described in the report or as modified in response to comments, the SFPUC General Manager shall submit a report to the Commission recommending specific change(s) in the rate structure. Copies of the General Manager's report shall be sent to all Wholesale Customers and BAWSCA at least thirty (30) days prior to the Commission meeting at which the changes will be considered.

C. The SFPUC may recommend, and the Commission may adopt, changes in the structure of wholesale rates at any time. However, the new rate schedule implementing these changes will become effective at the beginning of the following fiscal year.

6.05. Balancing Account

A. **Balancing Account Established Under 1984 Agreement**. The amount of credit in favor of San Francisco as of the expiration of the term of 1984 Agreement (June 30, 2009) is not known with certainty as of preparation and execution of this Agreement. It will not be known with certainty until the Compliance Audit for FY 2008-09 is completed and disputes, if any, that the Wholesale Customers or the SFPUC may have with the calculation of the Suburban Revenue Requirement for that fiscal year and for previous fiscal years have been settled or decided by arbitration.

The parties anticipate that the amount of the credit in favor of San Francisco as of June 30, 2009 may be within the range of \$15 million to \$20 million.

In order to reduce the credit balance due San Francisco under the 1984 Agreement in an orderly manner, while avoiding unnecessary fluctuations in wholesale rates, the parties agree to implement the following procedure.

1. In setting wholesale rates for FY 2009-10, SFPUC will include a balancing account repayment of approximately \$2 million.

2. In setting wholesale rates for FY 2010-11 and following years, SFPUC will include a balancing account repayment of not less than \$2 million and not more than \$5 million annually until the full amount of the balance due, plus interest at the rate specified in Section 6.05.B, is repaid.

3. The actual ending balance as of June 30, 2009 will be determined, by the parties' agreement or arbitral ruling, after the Compliance Audit report for FY 2008-09 is delivered to BAWSCA. That amount, once determined, will establish the principal to be amortized through subsequent years' repayments pursuant to this Section 6.05.A.

B. Balancing Account Under This Agreement

1. Operation. After the close of each fiscal year, the SFPUC will compute the costs allocable to the Wholesale Customers for that fiscal year pursuant to Article 5, based on actual costs incurred by the SFPUC and actual amounts of water used by the Wholesale Customers and the Retail Customers. That amount will be compared to the amounts billed to the Wholesale Customers for that fiscal year (including any Excess Use Charges, but excluding revenues described in Section 5.10.C). The difference will be posted to a "balancing account" as a credit to, or charge against, the Wholesale Customers. Interest shall also be posted to the balancing account calculated by multiplying the amount of the opening balance by the average net interest rate, certified by the Controller as earned in the San Francisco Treasury for the previous fiscal year on the San Francisco County Pooled Investment Account. Interest, when posted, will carry the same mathematical sign (whether positive or negative) as carried by the opening balance. The amount posted to the balancing account in each year shall be added to, or subtracted from, the balance in the account from previous years. The calculation of the amount to be posted to the balancing account shall be included in the report prepared by the SFPUC pursuant to Section 7.02.

The opening balance for fiscal year 2009-10 shall be zero.

2. Integration of Balancing Account with Wholesale Rate Setting Process. If the amount in the balancing account is owed to the Wholesale Customers (a positive balance), the SFPUC shall take it into consideration in establishing wholesale rates. However, the SFPUC need not apply the entire amount to reduce wholesale rates for the immediately ensuing

year. Instead, the SFPUC may prorate a positive ending balance over a period of up to three successive years in order to avoid fluctuating decreases and increases in wholesale rates.

a. If a positive balance is maintained for three successive years and represents 10 percent or more of the Wholesale Revenue Requirement for the most recent fiscal year, the SFPUC shall consult with BAWSCA as to the Wholesale Customers' preferred application of the balance. The Wholesale Customers shall, through BAWSCA, direct that the positive balance be applied to one or more of the following purposes: (a) transfer to the Wholesale Revenue Coverage Reserve, (b) amortization of any remaining negative balance from the ending balancing account under the 1984 Agreement, (c) prepayment of the existing asset balance under Section 5.03, (d) water conservation or water supply projects administered by or through BAWSCA, (e) immediate reduction of wholesale rates, or (f) continued retention for future rate stabilization purposes. In the absence of a direction from BAWSCA, the SFPUC shall continue to retain the balance for rate stabilization in subsequent years.

b. If the amount in the balancing account is owed to the SFPUC (a negative balance), the SFPUC shall not be obligated to apply all or any part of the negative balance in establishing wholesale rates for the immediately ensuring year. Instead, the SFPUC may prorate the negative balance in whole or in part over multiple years in order to avoid fluctuating increases and decreases in wholesale rates.

6.06. Wholesale Revenue Coverage Reserve

A. The SFPUC may include in wholesale rates for any fiscal year an additional dollar amount ("Wholesale Revenue Coverage"), which for any fiscal year shall equal the following:

1. The lesser of (i) 25% of the Wholesale Customers' share of Net Annual Debt Service for that fiscal year determined as described in Section 5.04.A, or (ii) the amount necessary to meet the Wholesale Customers' proportionate share of Debt Service coverage required by then-current Indebtedness for that fiscal year, minus

2. A credit for (i) the actual amounts previously deposited in the "Wholesale Revenue Coverage Reserve" (as defined in subsection B below), (ii) accrued interest on the amounts on deposit in the Wholesale Revenue Coverage Reserve, and (iii) an amount equal to any additional interest that would have accrued on the actual amounts previously deposited in the Wholesale Revenue Coverage Reserve assuming no withdrawals had been made therefrom.

B. During each fiscal year, the SFPUC will set aside and deposit that portion of revenue equal to Wholesale Revenue Coverage into a separate account that the SFPUC will establish and maintain, to be known as the "Wholesale Revenue Coverage Reserve." Deposits into the Wholesale Revenue Coverage Reserve shall be made no less frequently than monthly. The Wholesale Revenue Coverage Reserve shall be credited with interest at the rate specified in Section 6.05.B. The SFPUC may use amounts in the Wholesale Revenue Coverage Reserve for any lawful purpose. Any balance in the Wholesale Revenue Coverage Reserve in excess of the Wholesale Revenue Coverage amount as of the end of any fiscal year (as calculated in subsection 6.06(A) above) shall be applied as a credit against wholesale rates in the immediately following fiscal year unless otherwise directed by BAWSCA.

C. Within 180 days following the later of expiration of the Term or final payment of Debt Service due on Indebtedness issued during the Term to which Wholesale Customers were contributing, SFPUC shall rebate to the Wholesale Customers an amount equal to the Wholesale Revenue Coverage amount in effect for the fiscal year during which the Term expires or the final payment of Debt Service on Indebtedness is made based on each Wholesale Customer's Proportional Annual Use in the fiscal year during which the Term expires or the final payment of debt service on Indebtedness is made.

D. SFPUC shall provide a schedule of debt issuance (with assumptions), and the Wholesale Customers' share of Net Annual Debt Service (actual and projected) expected to be included in wholesale rates starting in 2009-10 through the expected completion of the WSIP. The schedule is to be updated annually prior to rate setting. If estimated Debt Service is used in rate setting, the SFPUC must be able to demonstrate that the Water Enterprise revenues will be sufficient to meet the additional bonds test for the proposed bonds and rate covenants for the upcoming year.

E. Conditions in the municipal bond market may change from those prevailing in 2009. If, prior to expiration of the Term, the SFPUC determines that it would be in the best financial interest of both Retail Customers and Wholesale Customers of the Regional Water System for the Debt Service coverage requirement to be increased in one or more series of proposed new Indebtedness above 1.25%, or for the coverage covenant to be strengthened in other ways, it will provide a written report to BAWSCA. The report will contain (1) a description of proposed covenant(s) in the bond indenture; (2) an explanation of how savings are expected to be achieved (e.g., increase in the SFPUC's credit rating over the then-current level; ability to

obtain credit enhancement, etc.); (3) the estimated all-in true interest cost savings; (4) a comparison of the Wholesale Revenue Requirements using the Debt Service coverage limitation in subsection A and under the proposed methodology; and (5) a comparison of the respective monetary benefits expected to be received by both Retail and Wholesale Customers. The SFPUC and BAWSCA agree to meet and confer in good faith about the proposed changes.

F. Any increase in Debt Service coverage proposed by the SFPUC shall be commensurate with Proportional Water Use by Retail and Wholesale Customers. If the SFPUC demonstrates that an increase in Debt Service coverage will result in equivalent percentage reductions in total Wholesale and Retail Debt Service payments over the life of the proposed new Indebtedness, based on Proportional Water Use, BAWSCA may agree to a modification of the Wholesale Revenue Coverage requirement in subsection A. If BAWSCA does not agree to a proposed modification in coverage requirements in the covenants for new Indebtedness, SFPUC may nevertheless proceed with the modification and the issuance of new Indebtedness. Any Wholesale Customer, or BAWSCA, may challenge an increase in the Wholesale Revenue Requirement resulting from the modification in Debt Service coverage through arbitration as provided in Section 8.01.A. If the arbitrator finds that the increase in Debt Service coverage (1) did not and will not result in equivalent percentage reductions in total Wholesale and Retail Debt Service payments over the life of the proposed new Indebtedness, based on Proportional Water Use, or (2) was not commensurate with Proportional Water Use, the arbitrator may order the Wholesale Revenue Requirement to be recalculated both retrospectively and prospectively to eliminate the differential impact to Wholesale or Retail Customers, subject to the limitation in Section 8.01.C.

6.07. Working Capital Requirement

A. The SFPUC maintains working capital in the form of unappropriated reserves for the purpose of bridging the gap between when the SFPUC incurs operating expenses required to provide service and when it receives revenues from its Retail and Wholesale Customers. The Wholesale Customers shall fund their share of working capital as part of the annual Wholesale Revenue Requirement calculation. The amount of wholesale working capital for which the Wholesale Customers will be responsible will be determined using the 60-day standard formula approach.

B. Applying this approach, annual wholesale working capital equals one-sixth of the wholesale allocation of operation and maintenance, administrative and general, and property tax

expenses for the Water and Hetch Hetchy Enterprises. Wholesale working capital shall be calculated separately for the Water and Hetch Hetchy Enterprises.

C. Each month, the sum of the Water Enterprise and Hetch Hetchy Enterprise working capital components will be compared with the ending balance in the Wholesale Revenue Coverage Reserve to determine if the Wholesale Customers provided the minimum required working capital. If the Wholesale Revenue Coverage Reserve is greater than the total Water Enterprise and Hetch Hetchy Enterprise working capital requirement, the Wholesale Customers will have provided their share of working capital. If the Wholesale Revenue Coverage Reserve is less than the total Water Enterprise and Hetch Hetchy Enterprise working capital requirement, the Wholesale Customers will be charged interest on the difference, which will be included in the adjustment to the Balancing Account under Section 6.05.B for the subsequent fiscal year.

6.08. Wholesale Capital Fund

A. The SFPUC currently funds revenue-funded capital projects through annual budget appropriations that are included in rates established for that fiscal year and transferred to a capital project fund from which expenditures are made. Consistent with the San Francisco Charter and Administrative Code, the SFPUC appropriates funds in advance of construction in order to maintain a positive balance in the capital project fund. The capital project fund also accrues interest and any unspent appropriations in excess of total project costs. It is the SFPUC's practice to regularly monitor the capital project fund balance to determine whether a surplus has accumulated, which can be credited against the next fiscal year's capital project appropriation.

B. The SFPUC shall establish a comparable Wholesale Revenue-Funded Capital Fund (Wholesale Capital Fund) to enable the Wholesale Customers to fund the wholesale share of revenue-funded New Regional Assets. The Wholesale Capital Fund balance is zero as of July 1, 2009. The SFPUC may include in wholesale rates for any fiscal year an amount equal to the wholesale share of the SFPUC's appropriation for revenue funded New Regional Assets for that year, which sum will be credited to the Wholesale Capital Fund. The wholesale share of other sources of funding, where legally permitted and appropriately accounted for under GAAP, will also be credited to the Wholesale Capital Fund, together with interest earnings on the Wholesale Capital Fund balance.

C. The SFPUC will expend revenues appropriated and transferred to the Wholesale Capital Fund only on New Regional Assets. The annual capital appropriation included in each fiscal year's budget will be provided to BAWSCA in accordance with Section 6.02 and will take into account the current and projected balance in the Wholesale Capital Fund, as well as current and projected unexpended and unencumbered surplus, as shown on attachment M-1, which will be prepared by the SFPUC each year.

D. Commencing on November 30, 2010 and thereafter in each fiscal year during the Term, the SFPUC will also provide an annual report to BAWSCA on the status of individual revenue-funded New Regional Assets, substantially in the form of Attachment M-2.

E. In order to prevent the accumulation of an excessive unexpended and unencumbered ~~surplus~~balance in the Wholesale Capital Fund, the status of the fund balance will be reviewed through the annual Compliance Audit ~~at five-year intervals~~, commencing in FY 2018-19. The FY 2018-19 Compliance Audit and the Wholesale Customer/BAWSCA review under Section 7.06 shall include Wholesale Capital Fund appropriations, expenditures and interest earnings for FY 2014-15. ~~Any excess fund balance (i.e., an accumulated unexpended, through 2017-18 for the purpose of determining whether a Balancing Account transfer is required. If the June 30 unencumbered amount in excess of ten percent (10%) balance of the wholesale share of total capital appropriations for New Regional Assets during the five preceding years) will~~ Wholesale Capital Fund exceeds the lesser of the following: (i) the Target Balance; (ii) the unencumbered remaining cumulative appropriations, the amount of such excess shall be transferred to the credit of the Wholesale Customers to the Balancing Account described in Section 6.05. ~~Attachment M-3 illustrates the operation of this review process, covering FY 2009-10 through FY 2013-14 and FY 2014-15 through 2018-19.~~

In order to avoid funding delays for New Regional Asset capital projects resulting from prior year transfers of excess Wholesale Capital fund balances to the Wholesale Customers, if the June 30 unencumbered balance of the Wholesale Capital Fund is below the lesser of the following: (i) the Target Balance; (ii) the unencumbered remaining cumulative appropriation, such deficiency shall be posted to the Balancing Account described in Section 6.05 as a charge to the Wholesale Customers. Notwithstanding the foregoing, no such charge to the Wholesale Customers shall exceed \$4 million annually.

Amended Attachment M-3 illustrates the process for determining the Wholesale Capital Fund balance as of June 30, 2019.

1.F. Three years prior to the end of the Term, the SFPUC and BAWSCA will discuss the disposition of the Wholesale Capital Fund balance at the end of the Term. Absent agreement, any balance remaining in the Wholesale Capital Fund at the end of the Term shall be transferred to the Balancing Account, to the credit of the Wholesale Customers.

6.09. SFPUC Adoption of Regional Water System 10-Year Capital Improvement Program

A. Established Level of Service Goals and Objectives. In approving the WSIP, the Commission adopted Level of Service Goals and Objectives that are, in part, used to develop capital programs related to water, including the 10-Year Capital Improvement Program for the Regional Water System ("10-Year CIP"). BAWSCA and the Wholesale Customers shall have the opportunity to review and provide written or oral comments on any changes to the Level of Service Goals and Objectives that may be submitted to the Commission for approval.

B. Submittal of an Asset Management Policy. Prior to December 31, 2020, the SFPUC shall develop and submit to the Commission for approval an Asset Management Policy applicable to the Regional Water System.

C. Coordination of 10-Year CIP and SFPUC Budget Meetings. The Commission annually reviews, updates, and adopts a 10-Year CIP pursuant to Section 8B.123 of the San Francisco Charter. At two-year intervals, the Commission holds two budget meetings concerning the 10-Year CIP. Over the course of the two budget meetings, the SFPUC reviews its budget priorities, potential changes to projects in the previously adopted 10-Year CIP, and the potential financial implications of such changes. In the event that Charter amendments are placed on the ballot that could alter or amend the City's budget preparation and adoption efforts, BAWSCA shall be notified in advance of any proposed change that could result in a less robust CIP development effort, and BAWSCA and the SFPUC shall meet to consider BAWSCA's comments on maintaining a robust CIP development effort.

D. Mid-cycle Changes to the 10-Year CIP. The SFPUC shall include within the Water Enterprise Capital Improvement Program Quarterly Projects Reports that it provides to the Commission ("CIP Quarterly Projects Reports") discussion of any material changes proposed to projects that are included in the most recently adopted 10-Year CIP. The SFPUC defines a material change as a change that applies to a CIP project whose approved CIP budget is equal to or greater than \$5,000,000 that results in one or more of the following:

1. Increases the cost of the CIP project by more than 10%.
2. Increases the schedule of the CIP project by extending said schedule by 12 calendar months or greater.
3. Affects the SFPUC's ability to meet the Level of Service Goals and Objectives.

The SFPUC shall also include within the CIP Quarterly Projects Reports discussion of any new capital project that is not included in the most recently adopted 10-Year CIP if the SFPUC has 1) begun spending on the project and 2) anticipates that it will require total funding in excess of \$5,000,000. For such projects, the parties recognize that the work may be of an urgent nature and that details of those projects may be developing quickly to address a critical need. The SFPUC commits that, for these projects, an expanded discussion will be provided in quarterly reports generated 6 months following the creation of the project in the City's finance and accounting system. At a minimum, the discussion will include: 1) a detailed scope of work, 2) schedule, 3) cost breakdown, and 4) proposed source of funding. This level of detail shall continue to be included in subsequent quarterly reports through either the completion of the work or until the work is included as part of an adopted 10-Year CIP.

E. BAWSCA and Wholesale Customer Notice and Review. Beginning in 2020, at least 30 days before the first budget meeting, the SFPUC shall provide BAWSCA and the Wholesale Customers with written notice of the dates of the two budget meetings. At least 30 days before the first budget meeting, the SFPUC shall also provide BAWSCA and the Wholesale Customers with a draft of the 10-Year CIP and meet with those same parties to review potential candidate projects that it is considering for inclusion in the 10-Year CIP. Final materials for the first budget meeting will be made available to BAWSCA and the Wholesale Customers no less than 14 days prior to that budget meeting. Final materials for the second budget meeting will be made available to BAWSCA and the Wholesale Customers on the same date that they are made available to the Commission. Prior to the Commission's adoption of the 10-Year CIP at the second budget meeting, San Francisco shall respond, in writing, to all written comments by BAWSCA and the Wholesale Customers on the 10-Year CIP that were submitted prior to the date of the first budget meeting.

F. Contents of Draft 10-Year CIP – Projects in Years One and Two of 10-Year Schedule. The SFPUC's CIP projects generally fall into three categories: defined projects, placeholder concepts that could become projects, and programmatic spending for expenses

likely to be made but for which there is no schedule. Projects in the near-term years of the 10-Year CIP have more definition than those in the outer years, and as a result more detailed information is available for them. For each project listed that has significant expected expenditures identified in the first two years of the 10-Year CIP, the draft 10-Year CIP made available to BAWSCA and the Wholesale Customers shall include the following elements:

1. Project name.
2. Project description and justification.
3. Description of the project's relationship to the Level of Service Goals and Objectives.
4. Project asset classification for cost-allocation purposes, pursuant to Attachment R for Hetch Hetchy Enterprise assets, or as Regional or Retail for Water Enterprise assets.
5. Project schedule where applicable, broken down by phase, through to completion.
6. Total project budget estimate including a proposed inflation rate.

G. Contents of Draft 10-Year CIP – Projects Listed After First Two Years of 10-Year Schedule. For each project that is listed in years three through ten of the 10-Year CIP, the draft 10-Year CIP made available to BAWSCA and the Wholesale Customers shall include the following elements:

1. Project name.
2. Project description and justification.
3. Description of the project's relationship to the Level of Service Goals and Objectives.
4. Project asset classification for cost-allocation purposes, pursuant to Attachment R for Hetch Hetchy Enterprise assets, or as Regional or Retail for Water Enterprise assets.
5. Project schedule information that forms the basis for project planning if available.
6. Total project budget estimate.

H. Additional Contents of Draft 10-Year CIP. The draft 10-Year CIP made available to BAWSCA and the Wholesale Customers shall also include the following:

1. A discussion of any changes to projects in the previously adopted 10-Year CIP, the reasons for such changes, any impact of the proposed changes on the SFPUC's ability to achieve the Level of Service Goals and Objectives, and the SFPUC's proposal for meeting the specific Level of Service Goals and Objectives in question.
2. A discussion of factors that have influenced the 10-Year CIP budget or identified projects, or have the potential to influence the overall budget or the number, cost and scale of identified projects, such as rate increase considerations, local rate setting policies, etc.
3. A discussion of how the CIP will be staffed.
4. A cash flow estimate for each project included as part of the first five years of the 10-Year CIP that considers historical spending and changes in the amount of work to be done.
5. Project spreadsheets that separate new projects from existing projects.
6. A summary roll-up for Regional costs, including all programmatic costs budgeted in the 10-Year CIP.

I. **Quarterly Reporting and Meetings.**

1. CIP Quarterly Projects Reports. The SFPUC shall include within the CIP Quarterly Projects Reports a detailed status update of each Regional project in the 10-Year CIP that has an estimated cost greater than \$5 million and a summary of the work completed to date for such projects. The CIP Quarterly Projects Reports shall focus on the first two years' projects in the 10-Year CIP, but shall also demonstrate a connection to the 10-Year CIP asset classification and the Level of Service Goals and Objectives. The CIP Quarterly Projects Reports shall identify any Regional project in the 10-Year CIP with an estimated cost greater than \$5 million that is behind schedule, and, for each project so identified, shall describe the SFPUC's plan and timeline for either making up the delay or adopting a revised project schedule. In each fourth quarter of the fiscal year CIP Quarterly Projects Report, the SFPUC will also address the status of Regional projects in the 10-Year CIP that have an estimated cost of less than \$5 million, noting any such projects that are behind schedule and describing the SFPUC's plan and timeline for either making up the delay or adopting a revised project schedule.

2. Quarterly Meetings. If requested by BAWSCA, the SFPUC shall hold quarterly meetings with BAWSCA to review each CIP Quarterly Projects Report, during which the SFPUC shall present information and detail about the individual projects and overall implementation of the 10-Year CIP, as well as the need for re-prioritization and/or the proposal of new candidate projects for consideration as part of the next update of the 10-Year CIP. As part of the meeting held in each fourth quarter of the fiscal year, the SFPUC shall provide additional information and detail regarding the CIP development schedule and associated coordination proposed with BAWSCA.

Article 7. Accounting Procedures; Compliance Audit

7.01. SFPUC Accounting Principles, Practices

A. **Accounting Principles**. San Francisco will maintain the accounts of the SFPUC and the Water and Hetch Hetchy Enterprises in conformity with Generally Accepted Accounting Principles. San Francisco will apply all applicable pronouncements of the Governmental Accounting Standards Board (GASB) as well as statements and interpretations of the Financial Accounting Standards Board and Accounting Principles Board opinions issued on or before March 30, 1989, unless those pronouncements or opinions conflict with GASB pronouncements.

B. **General Rule**. San Francisco will maintain the accounting records of the SFPUC and the Water and Hetch Hetchy Enterprises in a format and level of detail sufficient to allow it to determine the annual Wholesale Revenue Requirement in compliance with this Agreement and to allow its determination of the Wholesale Revenue Requirement to be audited as provided in Section 7.04.

C. **Water Enterprise**. San Francisco will maintain an account structure which allows utility plant and operating and maintenance expenses to be segregated by location (inside San Francisco and outside San Francisco) and by function (Direct Retail, Regional and Direct Wholesale).

D. **Hetch Hetchy Enterprise**. San Francisco will maintain an account structure which allows utility plant and operating and maintenance expenses to be segregated into Water Only, Power Only and Joint categories.

E. **SFPUC**. San Francisco will maintain an account structure which allows any expenses of SFPUC bureaus that benefit only the Wastewater Enterprise, the Power-Only operations of the Hetch Hetchy Enterprise or Retail Customers to be excluded from the Wholesale Revenue Requirement.

F. **Utility Plant Ledgers**. San Francisco will maintain subsidiary plant ledgers for the Water and Hetch Hetchy Enterprises that contain unique identifying numbers for all assets included in the rate base and identify the original cost, annual depreciation, accumulated depreciation, date placed in service, useful life, salvage value if any, source of funding (e.g., bond series, revenues, grants), and classification for purposes of this Agreement.

G. **Debt.** San Francisco will maintain documentation identifying:

1. The portion of total bonded debt outstanding related to each series of each bond issue.
2. The portion of total interest expense related to each series of each bond issue.
3. The use of proceeds of each bond issue (including proceeds of commercial paper and/or other interim financial instruments redeemed or expected to be redeemed from bonds and earnings on the proceeds of financings) in sufficient detail to determine, for each bond issue, the proceeds and earnings of each (including proceeds and earnings of interim financing vehicles redeemed by a bond issue) and the total amounts expended on Direct Retail improvements and the total amounts expended on Regional improvements.

H. **Changes in Accounting.** Subject to subsections A thru G, San Francisco may change the chart of accounts and accounting practices of the SFPUC and the Water and Hetch Hetchy Enterprises. However, the allocation of any expense to the Wholesale Customers that is specified in the Agreement may not be changed merely because of a change in (1) the accounting system or chart of accounts used by SFPUC, (2) the account to which an expense is posted or (3) a change in the organizational structure of the SFPUC or the Water or Hetch Hetchy Enterprises.

I. **Audit.** San Francisco will arrange for an audit of the financial statements of Water and Hetch Hetchy Enterprises to be conducted each year by an independent certified public accountant, appointed by the Controller, in accordance with Generally Accepted Auditing Standards.

7.02. Calculation of and Report on Wholesale Revenue Requirement

A. Within five months after the close of each fiscal year, San Francisco will prepare a report showing its calculation of the Wholesale Revenue Requirement for the preceding fiscal year and the change in the balancing account as of the end of that fiscal year. The first such report will be prepared by November 30, 2010 and will cover fiscal year 2009-10 and the balancing account as of June 30, 2010.

B. The report will consist of the following items:

1. Statement of changes in the balancing account for the fiscal year being reported on, and for the immediately preceding fiscal year, substantially in the form of Attachment O.
2. Detailed supporting schedules 8.1 through 8.2 substantially in the form of Attachment N-2.
3. Description and explanation of any changes in San Francisco's accounting practices from those previously in effect.
4. Explanation of any line item of expense (shown on Attachment N-2, schedules 1 and 4) for which the amount allocated to the Wholesale Customers increased by (a) ten percent or more from the preceding fiscal year, or (b) more than \$1,000,000.
5. Representation letter signed by the SFPUC General Manager and by other SFPUC financial staff shown on Attachment P, as the General Manager may direct, subject to change in position titles at the discretion of the SFPUC.

C. The report will be delivered to the BAWSCA General Manager by the date identified in Subsection A.

7.03. Once the report has been delivered to BAWSCA, San Francisco will, upon request:

1. Provide BAWSCA with access to, and copies of, all worksheets and supporting documents used or prepared by San Francisco during its calculation of the Wholesale Revenue Requirement;
2. Make available to BAWSCA all supporting documentation and calculations used by San Francisco in preparing the report; and
3. Promptly provide answers to questions from BAWSCA staff about the report.

7.04. Appointment of Compliance Auditor

A. **Purpose.** The purpose of this section is to provide for an annual Compliance Audit by an independent certified public accountant of the procedures followed and the underlying data used by San Francisco in calculating the Wholesale Revenue Requirement for the preceding fiscal year. The annual Compliance Audit shall also determine whether the Wholesale Revenue Requirement has been calculated in accordance with the terms of the Agreement and whether amounts paid by the Wholesale Customers in excess of or less than

the Wholesale Revenue Requirement have been posted to the balancing account, together with interest as provided in Section 6.05.

B. **Method of Appointment.** The Controller shall select an independent certified public accountant ("Compliance Auditor") to conduct the Compliance Audit described below. The Compliance Auditor may be the same certified public accountant engaged by the Controller to audit the financial statements of the Water and Hetch Hetchy Enterprises. Subject to approval by the Controller and the General Manager of the SFPUC, the Compliance Auditor shall have the authority to engage such consultants as it deems necessary or appropriate to assist in the audit. The terms of this Article shall be incorporated into the contract between San Francisco and the Compliance Auditor, and the Wholesale Customers shall be deemed to be third-party beneficiaries of said contract.

7.05. Conduct of Compliance Audit

A. **Standards.** The Compliance Auditor shall perform the Compliance Audit in accordance with Generally Accepted Auditing Standards. In particular, its review shall be governed by the standards contained in Section AU 623 (Reports on Specified Elements, Accounts or Items of a Financial Statement) of the AICPA, Professional Standards, as amended from time to time.

B. **Preliminary Meeting; Periodic Status Reports; Access to Data.** Prior to commencing the audit, the Compliance Auditor shall meet with San Francisco and BAWSCA to discuss the audit plan, the procedures to be employed and the schedule to be followed. During the course of the audit, the Compliance Auditor shall keep San Francisco and BAWSCA informed of any unforeseen problems or circumstances which could cause a delay in the audit or any material expansion of the audit's scope. The Compliance Auditor shall be given full access to all records of the SFPUC and the Water and Hetch Hetchy Enterprises that the Auditor deems necessary for the audit.

C. **Audit Procedures.** The Compliance Auditor shall review San Francisco's calculation of the Wholesale Revenue Requirement and the underlying data in order to carry out the purpose of the audit described in Section 7.03.A and to issue the report described in Section 7.05. At a minimum, the Compliance Auditor shall address the following:

1. Water Enterprise Operating and Maintenance Expenses. The Compliance Auditor shall review Water Enterprise cost ledgers to determine whether the recorded operating and maintenance expenses fairly reflect the costs incurred, were recorded on a basis consistent with applicable Generally Accepted Accounting Principles, and were allocated to the Wholesale Customers as provided in this Agreement.

2. Water Enterprise Administrative and General Expenses. The Compliance Auditor shall review Water Enterprise cost ledgers and other appropriate financial records, including those of the SFPUC, to determine whether the recorded administrative and general expenses fairly reflect the costs incurred by or allocated to the Water Enterprise, whether they were recorded on a basis consistent with applicable Generally Accepted Accounting Principles, whether SFPUC charges were allocated to the Water Enterprise in accordance with this Agreement, and whether the amount of administrative and general expenses allocated to the Wholesale Customers was determined as provided by this Agreement.

3. Property Taxes. The Compliance Auditor shall review Water Enterprise cost ledgers to determine whether the amount of property taxes shown on the report fairly reflects the property tax expense incurred by San Francisco for Water Enterprise property outside of San Francisco and whether there has been deducted from the amount to be allocated (1) all taxes actually reimbursed to San Francisco by tenants of Water Enterprise property under leases that require such reimbursement and (2) any refunds received from the taxing authority. The Compliance Auditor also shall determine whether the amount of property taxes allocated to the Wholesale Customers was determined as provided in this Agreement.

4. Debt Service. The Compliance Auditor shall review SFPUC records to determine whether debt service, and associated coverage requirements, were allocated to the Wholesale Customers as provided in this Agreement.

5. Amortization of Existing Assets in Service as of June 30, 2009. The Compliance Auditor shall review both Water and Hetch Hetchy Enterprise records to determine whether the payoff amount for Existing Assets allocated to the Wholesale Customers as shown on Attachment K-1 through K-4 was calculated as provided in Section 5.03 of this Agreement.

6. Revenue-Funded Capital Appropriations/Expenditures. The Compliance Auditor shall review San Francisco's calculation of actual expenditures on the wholesale share of revenue-funded New Regional Assets and remaining unexpended and unencumbered project

balances in the “Wholesale Capital Fund” described in Section 6.08, to determine whether the procedures contained in that section were followed.

7. Hetch Hetchy Expenses. The Compliance Auditor shall determine whether Hetch Hetchy Enterprise expenses were allocated to the Wholesale Customers as provided in this Agreement.

D. Use of and Reliance on Audited Financial Statements and Water Use Data

1. In performing the audit, the Compliance Auditor shall incorporate any adjustments to the cost ledgers recommended by the independent certified public accountant, referred to in Section 7.01.I, which audited the financial statements of the Water and Hetch Hetchy Enterprises. The Compliance Auditor may rely upon the work performed by that independent certified public accountant if the Compliance Auditor reviews the work and is willing to take responsibility for it as part of the compliance audit.

2. In performing the Compliance Audit and issuing its report, the Compliance Auditor may rely on water use data furnished by the Water Enterprise, regardless of whether the Wholesale Customers contest the accuracy of such data. The Compliance Auditor shall have no obligation to independently verify the accuracy of the water use data provided by San Francisco; however, the Compliance Auditor shall disclose in its report any information which came to its attention suggesting that the water use data provided by San Francisco are inaccurate in any significant respect.

E. Exit Conference. Upon completion of the audit, the Compliance Auditor shall meet with San Francisco and BAWSCA to discuss audit findings, including (1) any material weakness in internal controls and (2) adjustments proposed by the Compliance Auditor and San Francisco’s response (i.e., booked or waived).

7.06. Issuance of Compliance Auditor’s Report

A. San Francisco will require the Compliance Auditor to issue its report no later than nine months after the fiscal year under audit (i.e., March 31 of the following calendar year). The Compliance Auditor’s report shall be addressed and delivered to San Francisco and BAWSCA. The report shall contain:

1. A statement that the Auditor has audited the report on the calculation of the Wholesale Revenue Requirement and changes in the balancing account, and supporting documents, prepared by San Francisco as required by Section 7.02.

2. A statement that the audit was conducted in accordance with auditing standards generally accepted in the United States of America, and that the audit provides a reasonable basis for its opinion.

3. A statement that in the Compliance Auditor's opinion the Wholesale Revenue Requirement was calculated by San Francisco in accordance with this Agreement and that the change in the balancing account shown in San Francisco's report was calculated as required by this Agreement and presents fairly, in all material respects, changes in and the balance due to (or from) the Wholesale Customers as of the end of the fiscal year under audit.

7.07. Wholesale Customer Review

A. One or more Wholesale Customers, or BAWSCA, may engage an independent certified public accountant (CPA) to conduct a review (at its or their expense) of San Francisco's calculation of the annual Wholesale Revenue Requirement and a review of changes in the balancing account.

B. If a Wholesale Customer or BAWSCA wishes such a review to be conducted it will provide written notice to SFPUC within 30 days of the date the Compliance Auditor's report is issued. The notice will identify the CPA or accounting/auditing firm that will conduct the review and the specific aspects of the Compliance Auditor's report that are the subject of the review. If more than one notice of review is received by the SFPUC, the requesting Wholesale Customers shall combine and coordinate their reviews and select a lead auditor to act on their behalf for the purposes of requesting documents and conducting on-site investigations.

C. San Francisco will cooperate with the CPA appointed by a Wholesale Customer or BAWSCA. This cooperation includes making requested records promptly available, making knowledgeable SFPUC personnel available to timely and truthfully answer the CPA's questions and directing the Compliance Auditor to cooperate with the CPA.

D. The Wholesale Customer's review shall be completed within 60 days after the date the Compliance Auditor's report is issued. At the conclusion of the review, representatives of San Francisco and BAWSCA shall meet to discuss any differences between them concerning San Francisco's compliance with Articles 5 or 6 of this Agreement during the preceding fiscal

year or San Francisco's calculation of the Wholesale Revenue Requirement for the preceding fiscal year. If such differences cannot be resolved, the dispute shall be submitted to arbitration in accordance with Section 8.01.

Article 8. Other Agreements of the Parties

8.01. Arbitration and Judicial Review

A. **General Principles re Scope of Arbitration.** All questions or disputes arising under the following subject areas shall be subject to mandatory, binding arbitration and shall not be subject to judicial determination:

1. the determination of the Wholesale Revenue Requirement, which shall include both the calculations used in the determination and the variables used in those calculations;

2. the SFPUC's adherence to accounting practices and conduct of the Compliance Audit; and

3. the SFPUC's classification of new or omitted assets for purposes of determining the Wholesale Revenue Requirement.

All other questions or disputes arising under this Agreement shall be subject to judicial determination. Disputes about the scope of arbitrability shall be resolved by the courts.

B. **Demand for Arbitration.** If any arbitrable question or dispute should arise, any Wholesale Customer or the SFPUC may commence arbitration proceedings hereunder by service of a written Demand for Arbitration. Demands for arbitration shall set forth all of the issues to be arbitrated, the general contentions relating to those issues, and the relief sought by the party serving the Demand. Within 45 days after service of a Demand upon it, any Wholesale Customer or the SFPUC may serve a Notice of Election to become a party to the arbitration and a Response to the issues set forth in the Demand. The Response shall include the party's general contentions and defenses with respect to the claims made in the Demand, and may include any otherwise arbitrable claims, contentions and demands that concern the fiscal year covered by the Demand. If a timely Notice of Election and Response is not filed by any such entity, it shall not be a party to the arbitration but shall nonetheless be bound by the award of the arbitrator. If no party to this Agreement serves a timely Notice of Election and Response, the party seeking arbitration shall be entitled to the relief sought in its Demand for Arbitration without the necessity of further proceedings. Any claims not made in a Demand or Response shall be deemed waived.

If a Demand or Notice of Election is made by the SFPUC, it shall be served by personal delivery or certified mail to each Wholesale Customer at the address of such customer as set forth in the billing records of the SFPUC. If a Demand or Notice of Election is made by a Wholesale Customer, service shall be by certified mail or personal delivery to the General Manager, SFPUC, ~~1155 Market Street, 11th~~ 525 Golden Gate Avenue, 13th Floor, San Francisco, California ~~94103~~ 94102, and to each of the other Wholesale Customers. If arbitration is commenced, the Wholesale Customers shall use their best efforts to formulate a single, joint position with respect thereto. In any event, with respect to the appointment of arbitrators, as hereinafter provided, all Wholesale Customers that take the same position as to the issues to be arbitrated shall jointly and collectively be deemed to be a single party.

C. **Limitations Period.** All Demands For Arbitration shall be served within twelve months of receipt by BAWSCA of the Wholesale Revenue Requirement Compliance Auditor's Report for that year. If a party fails to file a Demand within the time period specified in this subsection, that party waives all present and future claims with respect to the fiscal year in question. If no such Demand is served within the twelve month period specified above, the SFPUC's determination of the Wholesale Revenue Requirement for that year shall be final and conclusive. Whether any particular claim is barred by the twelve month limitations period provided for herein shall be for the arbitrator to determine. Prior to the expiration of the twelve month limitations period, the parties to the dispute may agree by written stipulation to extend the period by up to six additional months.

The Arbitrator may order the alteration or recalculation of underlying Water Enterprise and/or Hetch Hetchy Enterprise accounts or asset classifications. Such changes shall be used to calculate the Wholesale Revenue Requirement for the fiscal year in dispute and shall also be used to determine future Wholesale Revenue Requirements, if otherwise applicable, even though the existing entries in such accounts or the asset classifications, in whole or in part, predate the twelve month period described above, so long as a timely arbitration Demand has been filed in accordance with this subsection.

D. **Number and Appointment of Arbitrators.** All arbitration proceedings under this section shall be conducted by a single arbitrator, selected by the SFPUC and a designated representative of the Wholesale Customers or each group of Wholesale Customers that take the same position with respect to the arbitration, within 75 days after service of the Demand. If the parties to the arbitration cannot agree on an arbitrator within 75 days, any party may petition

the Marin County Superior Court for the appointment of an arbitrator pursuant to Code of Civil Procedure Section 1281.6 (or any successor provision).

E. **Guidelines for Qualifications of Arbitrators.** The Wholesale Customers and the SFPUC acknowledge that the qualifications of the arbitrator will vary with the nature of the matter arbitrated, but, in general, agree that such qualifications may include service as a judge or expertise in one or more of the following fields: public utility law, water utility rate setting, water system and hydraulic engineering, utility accounting methods and practices, and water system operation and management. The parties to the arbitration shall use their best efforts to agree in advance upon the qualifications of any arbitrator to be appointed by the Superior Court.

F. **Powers of Arbitrator; Conduct of Proceedings**

1. Except as provided in this section, arbitrations under this section shall be conducted under and be governed by the provisions of California Code of Civil Procedure Sections 1282.2 through 1284.2 (hereinafter, collectively, "Code sections"), and arbitrators appointed hereunder shall have the powers and duties specified by the Code sections.

2. Within the meaning of the Code sections, the term "neutral arbitrator" shall mean the single arbitrator selected by the parties to the arbitration.

3. Unless waived in writing by the parties to the arbitration, the notice of hearing served by the arbitrator shall not be less than 90 days.

4. The lists of witnesses (including expert witnesses), and the lists of documents (including the reports of expert witnesses) referred to in Code of Civil Procedure Section 1282.2 shall be mutually exchanged, without necessity of demand therefore, no later than 60 days prior to the date of the hearing, unless otherwise agreed in writing by the parties to the arbitration. Upon application of any party, or on his or her own motion, the arbitrator may schedule one or more prehearing conferences for the purposes of narrowing and/or expediting resolution of the issues in dispute. Strict conformity to the rules of evidence is not required, except that the arbitrator shall apply applicable law relating to privileges and work product. The arbitrator shall consider evidence that he or she finds relevant and material to the dispute, giving the evidence such weight as is appropriate. The arbitrator may limit testimony to exclude evidence that would be immaterial or unduly repetitive, provided that all parties are afforded the opportunity to present material and relevant evidence.

5. Within thirty days after the close of the arbitration hearing, or such other time as the arbitrator shall determine, the parties will submit proposed findings and a proposed remedy to the arbitrator. The parties may file objections to their adversary's proposed findings and remedy within a time limit to be specified by the arbitrator. The arbitrator shall not base his or her award on information not obtained at the hearing.

6. The arbitrator shall render a written award no later than twelve months after the arbitrator is appointed, either by the parties or by the court, provided that such time may be waived or extended as provided in Code of Civil Procedure Section 1283.8.

7. The provisions for discovery set forth in Code of Civil Procedure Section 1283.05 are incorporated into and made part of this Agreement, except that: (a) leave of the arbitrator need not be obtained for the taking of depositions, including the depositions of expert witnesses; (b) the provisions of Code of Civil Procedure Section 2034.010 et seq., relating to discovery of expert witnesses, shall automatically be applicable to arbitration proceedings arising under this Agreement without the necessity for a formal demand pursuant to Section 2034.210 and the date for the exchange of expert discovery provided by Sections 2034.260 and 2034.270 shall be not later than 60 days prior to the date for the hearing; and (c) all reports, documents, and other materials prepared or reviewed by any expert designated to testify at the arbitration shall be discoverable. In appropriate circumstances, the arbitrator may order any party to this Agreement that is not a party to the arbitration to comply with any discovery request.

8. For the purposes of allocation of expenses and fees, as provided in Code of Civil Procedure Section 1284.2, if any two or more Wholesale Customers join together in a single, joint position in the arbitration, those Wholesale Customers shall be deemed to be a single party. If any Wholesale Customer or customers join together with the SFPUC in a single joint position in the arbitration, those Wholesale Customers and the SFPUC together shall be deemed to be a single party.

9. Subject to any other limitations imposed by the Agreement, the arbitrator shall have power to issue orders mandating compliance with the terms of the Agreement or enjoining violations of the Agreement. With respect to any arbitration brought to redress a claimed wholesale overpayment to the SFPUC, the arbitrator's power to award monetary relief shall be limited to entering an order requiring that an adjustment be made in the amount posted to the balancing account for the fiscal year covered by the Demand.

10. All awards of the arbitrator shall be binding on the SFPUC and the Wholesale Customers regardless of the participation or lack thereof by any Wholesale Customer or the SFPUC as a party to the arbitration proceeding. The parties to an arbitration shall have the power to modify or amend any arbitration award by mutual consent. The arbitrator shall apply California law.

8.02. Attorneys' Fees

A. **Arbitration or Litigation Between San Francisco and Wholesale Customers Arising under the Agreement or Individual Water Sales Contracts.** Each party will bear its own costs, including attorneys' fees, incurred in any arbitration or litigation arising under this Agreement or the Individual Water Sales Contracts between San Francisco and the Wholesale Customers. Notwithstanding the foregoing, and subject to the limitations contained herein, the SFPUC may allocate to the Wholesale Customers as an allowable expense, utilizing the composite rate used for allocating other Water Enterprise administrative and general expenses, any attorneys' fees and costs incurred by the SFPUC in connection with arbitration and/or litigation arising under this Agreement and/or the Individual Water Sales Contracts. Attorneys' fees incurred by the SFPUC for attorneys employed in the San Francisco City Attorney's office shall be billed at the hourly rates charged for the attorneys in question by the San Francisco City Attorney's Office to the SFPUC. Attorneys' fees incurred by the SFPUC for attorneys other than those employed in the San Francisco City Attorney's Office shall be limited to the hourly rates charged to the SFPUC for attorneys and paralegals with comparable experience employed in the San Francisco City Attorney's office and in no event shall exceed the highest hourly rate charged by any attorney or paralegal employed in the City Attorney's Office to the SFPUC.

B. **Arbitration or Litigation Outside of Agreement Concerning the SFPUC Water System or Reserved Issues**

1. The attorneys' fees and costs incurred by the SFPUC in litigation between San Francisco and one or more of the Wholesale Customers arising from matters outside of the Agreement, including, without limitation, litigation and/or arbitration concerning the issues specifically reserved in the Agreement, shall be allocated between the Retail Customers and the Wholesale Customers utilizing the composite rate used for allocating other Water Enterprise administrative and general expenses.

2. If, in any litigation described in subsection B.1 above, attorneys' fees and costs are awarded to one or more of the Wholesale Customers as prevailing parties, the

SFPUC's payment of the Wholesale Customers' attorneys' fees and costs shall not be an allowable expense pursuant to subsection A.

3. If, in any litigation described in subsection B.1, the SFPUC obtains an award of attorneys' fees and costs as a prevailing party against one or more of the Wholesale Customers, any such award shall be reduced to offset the amount of the SFPUC's fees and costs, if any, that have already been paid by the Wholesale Customers in the current or any prior fiscal years pursuant to subsection B.1 and the provisions of Articles 5 and 6 of the Agreement.

4. Nothing contained in this Agreement, including this subsection, shall authorize a court to award attorneys' fees and costs to a prevailing party as a matter of contract and/or the provisions of Civil Code Section 1717, in litigation between San Francisco and one or more of the Wholesale Customers arising from matters outside of the Agreement, including, without limitation, litigation and/or arbitration concerning the issues specifically reserved in the Agreement.

C. **Attorneys Fees and Costs Incurred by the SFPUC in Connection with the Operation and Maintenance of the SFPUC Water Supply System.** All attorneys' fees and costs incurred by the SFPUC in connection with the operation and maintenance of the SFPUC's water supply system shall be allocated between Retail Customers and the Wholesale Customers utilizing the composite rate used for allocating other Water Enterprise administrative and general expenses.

8.03. Annual Meeting and Report

A. The parties wish to ensure that the Wholesale Customers may, in an orderly way, be informed of matters affecting the Regional Water System, including matters affecting the continuity and adequacy of their water supply from San Francisco.

For this purpose, the General Manager of the SFPUC shall meet annually with the Wholesale Customers and BAWSCA during the month of February, commencing February 2010. At these annual meetings, the SFPUC shall provide the Wholesale Customers a report on the following topics:

1. Capital additions under construction or being planned for the Regional Water System, including the status of planning studies, financing plans, environmental reviews, permit applications, etc.;

2. Water use trends and projections for Retail Customers and Wholesale Customers;
3. Water supply conditions and projections;
4. The status of any administrative proceedings or litigation affecting San Francisco's water rights or the SFPUC's ability to deliver water from the watersheds which currently supply the Regional Water System;
5. Existing or anticipated problems with the maintenance and repair of the Regional Water System or with water quality;
6. Projections of Wholesale Revenue Requirements for the next five years;
7. Any other topic which the SFPUC General Manager places on the agenda for the meeting;
8. Any topic which the Wholesale Customers, through BAWSCA, request be placed on the agenda, provided that the SFPUC is notified of the request at least 10 days before the meeting.

B. The General Manager of the SFPUC, the Assistant General Manager of the Water Enterprise, and the Assistant General Manager of Business Services-CFO will use their best efforts to attend the annual meetings. If one or more of these officers are unable to attend, they will designate an appropriately informed assistant to attend in their place.

8.04. Administrative Matters Delegated to BAWSCA

A. The Wholesale Customers hereby delegate the authority and responsibility for performing the following administrative functions contemplated in this Agreement to BAWSCA:

1. Approval of calculations of Proportional Annual Water Use required by Section 3.14 and Attachment J, "Water Use Measurement and Tabulation";
2. Approval of amendments to Attachments J and K-3 and K-4, "25-Year Payoff Schedules for Existing Rate Base";
3. Agreement that the Water Meter and Calibration Procedures Manual to be prepared by the SFPUC may supersede some or all of the requirements in Attachment J, as described in Section 3.14;

4. Conduct of Wholesale Customer review of SFPUC's calculation of annual Wholesale Revenue Requirement/Change in Balancing Account described in Section 7.06;

5. Approval of an adjustment to Wholesale Revenue Coverage as described in Section 6.06.

B. A majority of the Wholesale Customers may, without amending this Agreement, delegate additional administrative functions to BAWSCA. To be effective, such expanded delegation must be evidenced by resolutions adopted by the governing bodies of a majority of the Wholesale Customers. [In 2014, all twenty-six Wholesale Customers adopted resolutions delegating authority to BAWSCA to initiate, defend and settle arbitration for the matters that, pursuant to Section 8.01 of this Agreement, are subject to mandatory, binding arbitration.](#)

C. Unless otherwise explicitly stated, the administrative authority delegated to BAWSCA may be exercised by the General Manager/CEO of BAWSCA, rather than requiring action by the BAWSCA Board of Directors. In addition, the Wholesale Customers may, with the consent of BAWSCA, delegate to BAWSCA the initiation, defense, and settlement of arbitration proceedings provided for in Section 8.01.

8.05. Preservation of Water Rights; Notice of Water Rights Proceedings

A. It is the intention of San Francisco to preserve all of its water rights, irrespective of whether the water held under such water rights is allocated under this Agreement. Nothing in this Agreement shall be construed as an abandonment, or evidence of an intent to abandon, any of the water rights that San Francisco presently possesses.

B. San Francisco shall use its best efforts to give prompt notice to BAWSCA of any litigation or administrative proceedings to which San Francisco is a party involving water rights to the Regional Water System. The failure of San Francisco to provide notice as required by this section, for whatever reason, shall not give rise to any monetary liability.

8.06. SFPUC Rules and Regulations

The sale and delivery of all water under this Agreement shall be subject to such of the "Rules and Regulations Governing Water Service to Customers" of the Water Enterprise adopted by the Commission, as those rules and regulations may be amended from time to time, as are (1) applicable to the sale and delivery of water to the

Wholesale Customers, (2) reasonable, and (3) not inconsistent with either this Agreement or with an Individual Water Sales Contract. The SFPUC will give the Wholesale Customers notice of any proposal to amend the Rules and Regulations in a manner that would affect the Wholesale Customers. The notice will be delivered at least thirty days in advance of the date on which the proposal is to be considered by the Commission and will be accompanied by the text of the proposed amendment.

8.07. Reservations of, and Limitations on, Claims

A. **General Reservation of Raker Act Contentions.** The 1984 Agreement resolved a civil action brought against San Francisco by certain of the Wholesale Customers. Plaintiffs in that action contended that they, and other Wholesale Customers that are municipalities or special districts, were “co-grantees” within the meaning of Section 8 of the Act and were entitled to certain rights, benefits and privileges by virtue of that status. San Francisco disputed those claims.

Nothing in this Agreement, or in the Individual Water Sales Contracts, shall be construed or interpreted in any way to affect the ultimate resolution of the controversy between the parties concerning whether any of the Wholesale Customers are “co-grantees” under the Act and, if so, what rights, benefits and privileges accrue to them by reason of that claimed status.

B. **Claims Reserved but not Assertable During Term or Portions Thereof.** The following claims, which San Francisco disputes, are reserved but may not be asserted during the Term (or portions thereof, as indicated):

1. The Wholesale Customers’ claim that the Act entitles them to water at cost.

2. The Wholesale Customers’ claim that San Francisco is obligated under the Act or state law to supply them with additional water in excess of the Supply Assurance. This claim may not be asserted unless and until San Francisco decides not to meet projected water demands of Wholesale Customers in excess of the Supply Assurance pursuant to Section 4.06.

3. The claim by San Jose and Santa Clara that they are entitled under the Act, or any other federal or state law, to permanent, non-interruptible status and to be charged rates identical to those charged other Wholesale Customers. This claim may not be asserted

unless and until San Francisco notifies San Jose or Santa Clara that it intends to interrupt or terminate water deliveries pursuant to Section 4.05.

4. The Wholesale Customers' claim that the SFPUC is not entitled to impose a surcharge for lost power generation revenues attributable to furnishing water in excess of the Supply Assurance. This claim may not be asserted unless and until SFPUC furnishes water in excess of the Supply Assurance during the Term and also includes such a surcharge in the price of such water.

5. Claims by Wholesale Customers (other than San Jose and Santa Clara, whose service areas are fixed) that SFPUC is obligated under the Act or state law to furnish water, within their Individual Supply Guarantee, for delivery to customers outside their existing service area and that Wholesale Customers are entitled to enlarge their service areas to supply those customers. Such claims may be asserted only after compliance with the procedure set forth in Section 3.03, followed by SFPUC's denial of, or failure for six months to act on, a written request by a Wholesale Customer to expand its service area.

C. **Waived Activities.** The Wholesale Customers (and the SFPUC, where specified) will refrain from the following activities during the Term (or portions thereof, as specified):

1. The Wholesale Customers and the SFPUC will not contend before any court, administrative agency or legislative body or committee that the methodology for determining the Wholesale Revenue Requirement (or the requirements for (a) amortization of the ending balance under the 1984 Agreement, or (b) contribution to the Wholesale Revenue Coverage) determined in accordance with this Agreement violates the Act or any other provision of federal law, state law, or San Francisco's City Charter, or is unfair, unreasonable or unlawful.

2. The Wholesale Customers will not challenge the transfer of funds by the SFPUC to any other San Francisco City department or fund, provided such transfer complies with the San Francisco City Charter. The transfer of its funds, whether or not permitted by the City Charter, will not excuse the SFPUC from its failure to perform any obligation imposed by this Agreement.

3. The Wholesale Customers and the SFPUC will not assert monetary claims against one another based on the 1984 Agreement other than otherwise arbitrable claims arising from the three fiscal years immediately preceding the start of the Term (i.e., FYs

2006-07, 2007-08 and 2008-09). Such claims, if any, shall be governed by the dispute resolution provisions of this Agreement, except that the time within which arbitration must be commenced shall be 18 months from delivery of the Compliance Auditor's report.

D. **Other**

1. This Agreement shall determine the respective monetary rights and obligations of the parties with respect to water sold by the SFPUC to the Wholesale Customers during the Term. Such rights and obligations shall not be affected by any judgments or orders issued by any court in litigation, whether or not between parties hereto, and whether or not related to the controversy over co-grantee status, except for arbitration and/or litigation expressly permitted in this Agreement. No judicial or other resolution of issues reserved by this section will affect the Wholesale Revenue Requirement which, during the Term, will be determined exclusively as provided in Articles 5, 6 and 7 of this Agreement.

2. Because delays in the budget process or other events may cause the SFPUC to defer the effective date of changes in wholesale rates until after the beginning of the fiscal year, this Agreement does not require the SFPUC to make changes in wholesale rates effective at the start of the fiscal year or at any other specific date.

3. The Wholesale Customers do not, by executing this Agreement, concede the legality of the SFPUC's establishing Interim Supply Allocations, as provided in Article 4 or imposing Environmental Enhancement Surcharges on water use in excess of such allocations. Any Wholesale Customer may challenge such allocation when imposed and/or such surcharges if and when levied, in any court of competent jurisdiction.

4. The furnishing of water in excess of the Supply Assurance by San Francisco to the Wholesale Customers shall not be deemed or construed to be a waiver by San Francisco of its claim that it has no obligation under any provision of law to supply such water to the Wholesale Customers, nor shall it constitute a dedication by San Francisco to the Wholesale Customers of such water.

8.08. Prohibition of Assignment

A. This Agreement shall be binding on, and shall inure to the benefit of, the parties and their respective successors and permitted assigns. Each Wholesale Customer agrees that it will not transfer or assign any rights or privileges under this Agreement, either in whole or in part, or make any transfer of all or any part of its water system or allow the use thereof in any

manner whereby any provision of this Agreement will not continue to be binding on it, its assignee or transferee, or such user of the system. Any assignment or transfer in violation of this covenant, and any assignment or transfer that would result in the supply of water in violation of the Act, shall be void.

B. Nothing in this section shall prevent any Wholesale Customer (except the California Water Service Company and Stanford) from entering into a joint powers agreement or a municipal or multi-party water district with any other Wholesale Customer (except the two listed above) to exercise the rights and obligations granted to and imposed upon the Wholesale Customers hereunder, nor shall this section prevent any Wholesale Customer (except the two listed above) from succeeding to the rights and obligations of another Wholesale Customer hereunder as long as the Wholesale Service Area served by the Wholesale Customers involved in the succession is not thereby enlarged.

8.09. Notices

A. All notices and other documents that San Francisco is required or permitted to send to the Wholesale Customers under this Agreement shall be sent to each and all of the Wholesale Customers by United States mail, first class postage prepaid, addressed to each Wholesale Customer at the address to which monthly water bills are mailed by the Water Enterprise.

B. All notices or other documents which the Wholesale Customers are required or permitted to send to San Francisco under this Agreement shall be sent by United States mail, first class postage prepaid, addressed as follows:

General Manager
San Francisco Public Utilities Commission
~~1155 Market Street, 11th~~ 525 Golden Gate Avenue, 13th Floor
San Francisco, CA ~~94103~~ 94123

C. Each Wholesale Customer is a member of BAWSCA. San Francisco shall send a copy of each notice or other document which it is required to send to all Wholesale Customers to BAWSCA addressed as follows:

General Manager/CEO
Bay Area Water Supply and Conservation Agency
155 Bovet Road, Suite ~~302~~ 650

San Mateo, CA 94402

The failure of San Francisco to send a copy of such notices or documents to BAWSCA shall not invalidate any rate set or other action taken by San Francisco.

D. Any party (or BAWSCA) may change the address to which notice is to be sent to it under this Agreement by notice to San Francisco (in the case of a change desired by a Wholesale Customer or BAWSCA) and to the Wholesale Customer and BAWSCA (in the case of a change desired by San Francisco).

The requirements for notice set forth in Section 8.01 concerning arbitration shall prevail over this section, when they are applicable.

8.10. Incorporation of Attachments

Attachments A through [QR](#), referred to herein, are incorporated in and made a part of this Agreement.

8.11. Interpretation

In interpreting this Agreement, or any provision thereof, it shall be deemed to have been drafted by all signatories, and no presumption pursuant to Civil Code Section 1654 may be invoked to determine the Agreement's meaning. The marginal headings and titles to the sections and paragraphs of this Agreement are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part hereof.

8.12. Actions and Approvals by San Francisco

Whenever action or approval by San Francisco is required or contemplated by this Agreement, authority to act or approve shall be exercised by the Commission, except if such action is required by law to be taken, or approval required to be given, by the San Francisco Board of Supervisors. The Commission may delegate authority to the General Manager in accordance with the San Francisco City Charter and Administrative Code, except for actions that this Agreement requires to be taken by the Commission.

8.13. Counterparts

Execution of this Agreement may be accomplished by execution of separate counterparts by each signatory. San Francisco shall deliver its executed counterpart to BAWSCA and the counterpart which each Wholesale Customer executes shall be delivered to

San Francisco. The separate executed counterparts, taken together, shall constitute a single agreement.

8.14. Limitations on Damages

A. Unless otherwise prohibited by this Agreement, general or direct damages may be recovered for a breach of a party's obligations under this Agreement. No party is liable for, or may recover from any other party, special, indirect or consequential damages or incidental damages, including, but not limited to, lost profits or revenue. No damages may be awarded for a breach of Section 8.17.

B. The limitations in subsection A apply only to claims for damages for an alleged breach of this Agreement. These limitations do not apply to claims for damages for an alleged breach of a legal duty that arises independently of this Agreement, established by constitution or statute.

C. If damages would be an inadequate remedy for a breach of this Agreement, equitable relief may be awarded by a court in a case in which it is otherwise proper.

D. This section does not apply to any claim of breach for which arbitration is the exclusive remedy pursuant to Section 8.01.A.

8.15. Force Majeure

A. **Excuse from Performance.** No party shall be liable in damages to any other party for delay in performance of, or failure to perform, its obligations under this Agreement, including the obligations set forth in Sections 3.09 and 4.06, if such delay or failure is caused by a "Force Majeure Event."

B. **Notice.** The party claiming excuse shall deliver to the other parties a written notice of intent to claim excuse from performance under this Agreement by reason of a Force Majeure Event. Notice required by this section shall be given promptly in light of the circumstances, and, in the case of events described in (c), (d) or (e) of the definition of Force Majeure Event only, not later than ten (10) days after the occurrence of the Force Majeure Event. Such notice shall describe the Force Majeure Event, the services impacted by the claimed event, the length of time that the party expects to be prevented from performing, and the steps which the party intends to take to restore its ability to perform.

C. **Obligation to Restore Ability to Perform**. Any suspension of performance by a party pursuant to this section shall be only to the extent, and for a period of no longer duration than, required by the nature of the Force Majeure Event, and the party claiming excuse shall use its best efforts to remedy its inability to perform as quickly as possible.

8.16. No Third-Party Beneficiaries

This Agreement is exclusively for the benefit of the parties and not for the benefit of any other Person. There are no third-party beneficiaries of this Agreement and no person not a party shall have any rights under or interests in this Agreement.

No party may assert a claim for damages on behalf of a person other than itself, including a person that is not a party.

8.17. Good Faith and Fair Dealing

San Francisco and the Wholesale Customers each acknowledge their obligation under California law to act in good faith toward, and deal fairly with, each other with respect to this Agreement.

Article 9. Implementation and Special Provisions Affecting Certain Wholesale Customers

9.01. General; Individual Water Sales Contracts

A. As described in Section 1.03, San Francisco previously entered into Individual Water Sales Contracts with each of the Wholesale Customers. The term of the majority of Individual Water Sales Contracts will expire on June 30, 2009, concurrently with the expiration of the 1984 Agreement. Except as provided below in this Article, each of the Wholesale Customers will execute a new Individual Water Sales Contract with San Francisco concurrently with its approval of the Agreement.

B. The Individual Water Sales Contracts will describe the service area of each Wholesale Customer, identify the location and size of connections between the Regional Water System and the Wholesale Customer's distribution system, provide for periodic rendering and payment of bills for water usage, and in some instances contain additional specialized provisions unique to the particular Wholesale Customer and not of general concern or applicability. A sample Individual Water Sales Contract is provided at Attachment F. The Individual Water Sales Contracts between San Francisco and the Wholesale Customers will not contain any provision inconsistent with Articles 1 through 8 of this Agreement except (1) as provided below in this Article or (2) to the extent that such provisions are not in derogation of the Fundamental Rights of other Wholesale Customers under this Agreement. Any provisions in an Individual Water Sales Contract which are in violation of this section shall be void.

9.02. California Water Service Company

A. The parties recognize that the California Water Service Company is an investor-owned utility company and, as such, has no claim to co-grantee status under the Act, which specifically bars private parties from receiving for resale any water produced by the Hetch Hetchy portion of the Regional Water System. Accordingly, the following provisions shall apply to the California Water Service Company, notwithstanding anything to the contrary elsewhere in this Agreement.

B. The total quantity of water delivered by San Francisco to the California Water Service Company shall not in any calendar year exceed 47,400 acre feet, which is the estimated average annual production of Local System Water. If San Francisco develops additional Local System Water after the Effective Date, it may (1) increase the maximum

delivery amount stated herein; and (2) increase the Supply Assurance, but not necessarily both. San Francisco has no obligation to deliver water to California Water Service Company in excess of the maximum stated herein, except as such maximum may be increased by San Francisco pursuant to this subsection. The maximum annual quantity of Local System Water set forth in this subsection is intended to be a limitation on the total quantity of water that may be allocated to California Water Service Company, and is not an Individual Supply Guarantee for purposes of Section 3.02. The maximum quantity of Local System Water set forth in this subsection is subject to reduction in response to (1) changes in long-term hydrology or (2) environmental water requirements that may be imposed by or negotiated with state and federal resource agencies in order to comply with state or federal law or to secure applicable permits for construction of Regional Water System facilities. San Francisco shall notify California Water Service Company of any anticipated reduction of the quantity of Local System Water set forth in this subsection, along with an explanation of the basis for the reduction.

C. Notwithstanding anything in Section 8.08 to the contrary, California Water Service Company shall have the right to assign to a public agency having the power of eminent domain all or a portion of the rights of California Water Service Company under any contract between it and San Francisco applicable to any individual district of California Water Service Company in connection with the acquisition by such public agency of all or a portion of the water system of California Water Service Company in such district. In the event of any such assignment of all the rights, privileges and obligations of California Water Service Company under such contract, California Water Service Company shall be relieved of all further obligations under such contract provided that the assignee public agency expressly assumes the obligations of California Water Service Company thereunder. In the event of such an assignment of a portion of the rights, privileges and obligations of California Water Service Company under such contract, California Water Service Company shall be relieved of such portion of such obligations so assigned thereunder provided that the assignee public agency shall expressly assume such obligations so assigned to it.

D. Should California Water Service Company seek to take over or otherwise acquire, in whole or in part, the service obligations of another Wholesale Customer under Section 3.03.E, it will so inform San Francisco at least six months prior to the effective date of the sale and provide information concerning the total additional demand proposed to be served, in order that San Francisco may compare the proposed additional demand to the then-current estimate of Local System Water. In this regard, California Water Service Company has notified

the SFPUC that it has reached an agreement to acquire the assets of Skyline County Water District ("Skyline") and assume the responsibility for providing water service to customers in the Skyline service area. California Water Service Company has advised the SFPUC that, on September 18, 2008, the California Public Utilities Commission approved California Water Service Company's acquisition of Skyline. The SFPUC anticipates approving the transfer of Skyline's Supply Guarantee as shown on Attachment C to California Water Service Company and the expansion of California Water Service Company's service area to include the current Skyline service area before the Effective Date of this Agreement. All parties to this Agreement authorize corresponding modifications of Attachment C, as well as any of the Agreement's other provisions, to reflect the foregoing transaction without the necessity of amending this Agreement.

E. Nothing in this Agreement shall preclude San Francisco from selling water to any county, city, town, district, political subdivision, or other public agency for resale to customers within the service area of the California Water Service Company. Nothing in this Agreement shall require or contemplate any delivery of water to California Water Service Company in violation of the Act.

F. Nothing in this Agreement shall alter, amend or modify the Findings of Fact and Conclusions of Law and the Judgment dated May 25, 1961, in that certain action entitled City and County of San Francisco v. California Water Service Company in the Superior Court of the State of California in and for the County of Marin, No. 23286, as modified by the Quitclaim Deed from California Water Service Company to San Francisco dated August 22, 1961. The rights and obligations of San Francisco and California Water Service Company under these documents shall continue as therein set forth.

9.03. City of Hayward

A. San Francisco and the City of Hayward ("Hayward") entered into a water supply contract on February 9, 1962 ("the 1962 contract") which provides, inter alia, that San Francisco will supply Hayward with all water supplemental to sources and supplies of water owned or controlled by Hayward as of that date, in sufficient quantity to supply the total water needs of the service area described on an exhibit to the 1962 contract "on a permanent basis." The service area map attached as Exhibit C to the 1962 contract was amended in 1974 to remove an area of land in the Hayward hills and in 2008 to make minor boundary adjustments identified in SFPUC Resolution No. 08-0035.

B. The intention of the parties is to continue the 1962 contract, as amended, in effect as the Individual Water Sales Contract between San Francisco and Hayward. Accordingly, it shall not be necessary for San Francisco and Hayward to enter into a new Individual Water Sales Contract pursuant to this Article and approval of this Agreement by Hayward shall constitute approval of both this Agreement and an Individual Water Sales Contract for purposes of Section 1.03. The 1962 contract, as amended, will continue to describe the service area of Hayward, while rates for water delivered to Hayward during the Term shall be governed by Article 5 hereof. The 1962 contract, as amended, will continue in force after the expiration of the Term.

9.04. Estero Municipal Improvement District

A. San Francisco and the Estero Municipal Improvement District ("Estero") entered into a water supply contract on August 24, 1961, the term of which continues until August 24, 2011 ("the 1961 Contract"). The 1961 Contract provides, inter alia, that San Francisco will supply Estero with all water supplemental to sources and supplies of water owned or controlled by Estero as of that date, in sufficient quantity to supply the total water needs of the service area described on an exhibit to the 1961 Contract.

B. The intention of the parties is to terminate the 1961 Contract and replace it with a new Individual Water Sales Contract which will become effective on July 1, 2009. The new Individual Water Sales Contract will describe the current service area of Estero. The Individual Supply Guarantee applicable to Estero shall be 5.9 MGD, rather than being determined as provided in the 1961 Contract.

9.05. Stanford University

A. The parties recognize that The Board of Trustees of The Leland Stanford Junior University ("Stanford") operates a non-profit university, and purchases water from San Francisco for redistribution to the academic and related facilities and activities of the university and to residents of Stanford, the majority of whom are either employed by or students of Stanford. Stanford agrees that all water furnished by San Francisco shall be used by Stanford only for domestic purposes and those directly connected with the academic and related facilities and activities of Stanford, and no water furnished by San Francisco shall be used in any area now or hereafter leased or otherwise used for industrial purposes or for commercial purposes

other than those campus support facilities that provide direct services to Stanford faculty, students or staff such as the U.S. Post Office, the bookstore and Student Union.

Nothing in this Agreement shall preclude San Francisco from selling water to any county, city, town, political subdivision or other public agency for resale to Stanford or to customers within the service area of Stanford.

B. Notwithstanding anything in Section 8.08 to the contrary, Stanford shall have the right to assign to a public agency having the power of eminent domain all or a portion of the rights of Stanford under this Agreement or the Individual Water Sales Contract between it and San Francisco in connection with the acquisition by such public agency of all or a portion of Stanford's water system. In the event of any such assignment of all the rights, privileges, and obligations of Stanford under such contract, Stanford shall be relieved of all further obligations under such contract, provided that the assignee public agency expressly assumes Stanford's obligations thereunder. In the event of such an assignment of a portion of the rights, privileges, and obligations of Stanford under such contract, Stanford shall be relieved of such obligations so assigned thereunder, provided that the assignee public agency shall expressly assume such obligations so assigned to it.

Nothing in this Agreement shall require or contemplate any delivery of water to Stanford in violation of the Act.

9.06. City of San Jose and City of Santa Clara

A. **Continued Supply on Temporary, Interruptible Basis.** During the term of the 1984 Agreement, San Francisco provided water to the City of San Jose ("San Jose") and the City of Santa Clara ("Santa Clara") on a temporary, interruptible basis pursuant to SFPUC Resolution No. 85-0256. Subject to termination or reduction of supply as provided in Section 4.05 of this Agreement, San Francisco will continue to supply water to San Jose and Santa Clara on a temporary, interruptible basis pending a decision by the Commission, pursuant to Section 4.05.H, as to whether to make San Jose and Santa Clara permanent customers of the Regional Water System. San Francisco will furnish water to San Jose and Santa Clara at the same rates as those applicable to other Wholesale Customers pursuant to this Agreement. Water delivered to San Jose and Santa Clara after July 1, 2009 may be limited by the SFPUC's ability to meet the full needs of all its other Retail and Wholesale Customers. The service areas of San Jose and Santa Clara set forth in their Individual Water Sales Contracts may not be

expanded using the procedure set forth in Section 3.03. The combined annual average water usage of San Jose and Santa Clara shall not exceed 9 MGD. The allocation of that total amount between San Jose and Santa Clara shall be as set forth in their Individual Water Sales Contracts.

B. **Reservation of Rights.** In signing this Agreement, neither San Jose nor Santa Clara waives any of its rights to contend, in the event that San Francisco (1) elects to terminate or interrupt water deliveries to either or both of the two cities prior to ~~2018~~2028 using the process set forth in Section 4.05, or (2) does not elect to take either city on as a permanent customer in ~~2018~~2028, that it is entitled to permanent customer status, pursuant to the Act or any other federal or state law. Santa Clara's reservation of rights is limited to its existing Service Area A, as shown on Attachment Q-2. Service Area B, south of Highway 101, was added in 2018 solely for the operational convenience of Santa Clara. Santa Clara waives its right to make claims described in this Section 9.06.B and Section 8.07.B.3 with respect to Service Area B. In signing this Agreement, San Francisco does not waive its right to deny any or all such contentions.

9.07. City of Brisbane, Guadalupe Valley Municipal Improvement District, Town of Hillsborough

A. The parties acknowledge that San Francisco has heretofore provided certain quantities of water to the City of Brisbane ("Brisbane"), Guadalupe Valley Municipal Improvement District ("Guadalupe") and the Town of Hillsborough ("Hillsborough") at specified rates or without charge pursuant to obligations arising out of agreements between the predecessors of San Francisco and these parties, which agreements are referred to in judicial orders, resolutions of the SFPUC and/or the 1960 contracts between San Francisco and Brisbane, Guadalupe and Hillsborough. The parties intend to continue those arrangements and accordingly agree as follows:

1. Nothing in this Agreement is intended to alter, amend or modify the terms of SFPUC Resolution No. 74-0653 or the indenture of July 18, 1908 between the Guadalupe Development Company and the Spring Valley Water Company.

2. Nothing in this Agreement is intended to alter, amend or modify the Findings of Fact and Conclusions of Law and Judgment dated May 25, 1961 in that certain action entitled City and County of San Francisco v. Town of Hillsborough in the Superior Court of the State of California in and for the County of Marin, No. 23282, as modified by the

Satisfaction of Judgment filed October 23, 1961 and the Compromise and Release between Hillsborough and San Francisco dated August 22, 1961. The rights and obligations of Hillsborough under these documents shall continue as therein set forth.

3. Nothing in this Agreement is intended to affect or prejudice any claims, rights or remedies of Guadalupe or of Crocker Estate Company, a corporation, or of Crocker Land Company, a corporation, or of San Francisco, or of their successors and assigns, respectively, with respect to or arising out of that certain deed dated May 22, 1884, from Charles Crocker to Spring Valley Water Works, a corporation, recorded on May 24, 1884, in Book 37 of Deeds at page 356, Records of San Mateo County, California, as amended by that certain Deed of Exchange of Easements in Real Property and Agreement for Trade in Connection Therewith, dated July 29, 1954, recorded on August 4, 1954, in Book 2628, at page 298, Official Records of said San Mateo County, or with respect to or arising out of that certain action involving the validity or enforceability of certain provisions of said deed entitled City and County of San Francisco v. Crocker Estate Company, in the Superior Court of the State of California in and for the County of Marin, No. 23281.

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Attachment A - Definitions

“1984 Agreement” refers to the 1984 Settlement Agreement and Master Water Sales Contract between the City and County of San Francisco and certain Suburban Purchasers in San Mateo County, Santa Clara County and Alameda County, which expires on June 30, 2009.

“Act” refers to the Raker Act, 38 Stat. 242, the Act of Congress, enacted in 1913, that authorized the construction of the Hetch Hetchy system on federal lands.

“Adjusted Proportional Annual Use” means the respective percentages of annual water use, as adjusted to reflect deliveries of water by the Hetch Hetchy Enterprise to outside City Retail Customers. The adjustment is calculated each year as described in Section B of Attachment J and is shown on lines 18 and 19 of Table 1 of that Attachment.

“Agreement” refers to this Water Supply Agreement, by and among San Francisco and the Wholesale Customers who approve this Agreement in accordance with Section 1.03.

“BAWSCA” refers to the Bay Area Water Supply and Conservation Agency established pursuant to Division 31 of the California Water Code (Water Code §§81300-81461) or its successor and permitted assigns.

“CEQA” refers to the California Environmental Quality Act found at §§21000 et seq. of the Public Resources Code and the Guidelines for the California Environmental Quality Act found at §§15000 et seq. of Title 14 of the California Code of Regulations, as amended from time to time.

“Commission” means the governing board of the SFPUC, whose members, as of the date of this Agreement, are appointed by the Mayor of San Francisco and confirmed by the San Francisco Board of Supervisors.

“Compliance Audit” refers to the annual audit of the Wholesale Revenue Requirement by the Compliance Auditor required by Sections 7.03 through 7.05.

“Compliance Auditor” refers to the independent certified public accountant chosen by the San Francisco Controller to conduct each fiscal year’s audit of the SFPUC’s calculation of the Wholesale Revenue Requirement as provided in Section 7.03.B.

“Countywide Cost Allocation Plan” refers to the full costs of the Water and Hetch Hetchy Enterprises’ prorated share of San Francisco city government expenses that are not directly billed to city departments, as determined by the Controller of the City and County of San Francisco.

“Debt Service” means principal and interest paid during a fiscal year on Indebtedness incurred by the SFPUC for the 2006 Revenue Bonds, Series A, and subsequently issued Indebtedness (exclusive of 2006 Revenue Bonds Series B and C), the proceeds of which are used or are scheduled to be used for the acquisition or construction of New Regional Assets or to refund such Indebtedness.

“Direct Retail” refers to Regional Water System capital or operating expenditures that are incurred to provide water service solely to Retail Customers.

“Direct Wholesale” refers to Regional Water System capital or operating expenditures that are incurred to provide water service solely to one or more Wholesale Customers.

“Drought” means a water shortage caused by lack of precipitation, as reflected in resolutions of the Commission calling for voluntary or mandatory water rationing based on evaluation of water stored or otherwise available to the Regional Water System, whether or not the Commission declares a water shortage emergency pursuant to Water Code §§ 350 et seq., as amended from time to time.

“Effective Date” refers to the date this Agreement will become effective in accordance with the terms of Section 1.03.

“Emergency” means a sudden, non-drought event, such as an earthquake, failure of Regional Water System infrastructure or other catastrophic event or natural disaster that results in an insufficient supply of water available to the Retail or Wholesale Service Areas for basic human consumption, firefighting, sanitation, and fire protection.

“Encumbrance” or **“Encumber”** refers to the process by which the City Controller certifies the availability of amounts previously appropriated by the Commission for specifically identified SFPUC capital projects performed either by third parties or through work orders to other City departments.

“Environmental Enhancement Surcharge” means the surcharge to be imposed by the SFPUC on individual parties to this Agreement whose use exceeds their Interim Supply Allocation when the collective use of water by all parties to this Agreement is in excess of the Interim Supply Limitation.

“ERRP” refers to a SFPUC document entitled *Emergency Response and Recovery Plan: Regional Water System* (“ERRP”) dated August 23, 2003, and updated November 2006.

“Excess Use Charges” are monthly charges set by the SFPUC, in the form of multipliers, that are applied to the Wholesale Customer water rates during times of mandatory rationing if a Wholesale Customer's water usage is greater than its shortage allocation. Excess Use Charges are further described in Section 4 of the Tier 1 Shortage Plan (Attachment H).

“Existing Assets” refers to Regional and Hetch Hetchy Water-Only and Water-Related capital assets plant in service as of June 30, 2009.

“Existing System Assets” refers to all Water Enterprise and Hetch Hetchy Enterprise assets and assets that are components of, or appurtenances thereto. Existing Assets are a subset of the Existing System Assets for repayment of capital costs under Section 5.03.

“Existing Facilities” means those wells and associated infrastructure owned by the Participating Pumpers and in existence as of the effective date of the Project Operating Agreement, and any replacements of Existing Facilities irrespective of location.

“Force Majeure Event” means an event not the fault of, and beyond the reasonable control of, the party claiming excuse which makes it impossible or extremely impracticable for such party to perform obligations imposed on it by this Agreement, by virtue of its effect on physical facilities and their operation or employees essential to such performance. Force Majeure Events include (a) an “act of God” such as an earthquake, flood, earth movement, or similar catastrophic event, (b) an act of the public enemy, terrorism, sabotage, civil disturbance or similar event, (c) a strike, work stoppage, picketing or similar concerted labor action, (d) delays in construction caused by unanticipated negligence or breach of contract by a third party or inability to obtain essential materials after diligent and timely efforts; or (e) an order or regulation issued by a federal or state regulatory agency after the Effective Date or a judgment or order entered by a federal or state court after the Effective Date.

“Fundamental Rights” of Wholesale Customers are their status as parties to this Agreement, their allocation of water recognized in Section 3.02, their protection against arbitrary, unreasonable, or unjustly discriminatory rates provided in Section 6.04, and any specific rights described in Article 9.

“Groundwater Storage and Recovery Project” refers to a WSIP project for groundwater storage and recovery in the Southern portion of the Westside Basin approved in SFPUC Resolution No. 14-0127 dated August 12, 2014.

“Hetch Hetchy Enterprise” refers to Hetch Hetchy Water and Power Enterprise, a SFPUC operating department.

“In Lieu Water” refers to Regional Water System water, subject to the limitations set forth in Section 9.02 of this Agreement for water delivered to California Water Service Company, that the SFPUC delivers at no charge on an interruptible basis to the Participating Pumpers, to replace groundwater that the Participating Pumpers refrain from pumping using their Existing Facilities during storage periods under the Project Operating Agreement.

“Include” and its variants mean “including but not limited to” whenever used in this Agreement, regardless of whether or not it is capitalized.

“Indebtedness” includes revenue bonds, bond anticipation notes, certificates of participation (excluding certificates of participation towards which SFPUC contributes debt service as an operating expense), and commercial paper.

“Individual Water Sales Contract” refers to the contracts between each Wholesale Customer and San Francisco contemplated in Section 9.01 that details customer-specific matters such as location of service connections, service area maps and other matters specific to that customer.

“Individual Supply Guarantee” refers to each Wholesale Customer’s share of the Supply Assurance, as shown in Attachment C.

“Interim Supply Allocation” refers to each Wholesale Customer’s share, to be established by the SFPUC pursuant to Section 4.02, of the Interim Supply Limitation.

“Interim Supply Limitation” refers to the 265 MGD annual average limitation on water deliveries until December 31, 2018 from Regional Water System watersheds imposed by the SFPUC in its approval of the WSIP in Resolution Number 08-0200 dated October 30, 2008.

“Irrigation Well Owners” refers to the Hills of Eternity, Home of Peace, and Salem Cemetery; Eternal Home Cemetery; Woodlawn Cemetery; Holy Cross Cemetery; Italian Cemetery; Olivet Cemetery; Cypress Lawn Cemetery; and the California Golf Club, located within the Southern portion of the Westside Basin.

“Irrigation Well Owner Replacement Water” refers to water supplied by the Regional Water System delivered on a standby basis by the SFPUC, or wheeled through California Water Service Company's South San Francisco District System, for delivery to Irrigation Well Owners as may be necessary under the MMRP.

“Joint,” when used in connection with Hetch Hetchy Enterprise assets or expenses, refers to assets used or expenses incurred in providing both water supply (“Water-Related”) and in the generation and transmission of electrical energy (“Power-Related”).

“Level of Service Goals and Objectives” refers to the “Phased WSIP Goals and Objectives” adopted by the Commission in Resolution No. 08-0200 dated October 30, 2008 as part of the approval of the WSIP and any amendments that may be adopted by the Commission.

“Local System Water” refers to Regional Water System water supplies developed in San Mateo, Alameda and Santa Clara Counties or otherwise not produced by the Hetch Hetchy Enterprise under rights of way granted by the Raker Act.

“MGD” refers to an average flow rate of one million gallons per day over a specific time period, often a year. For example, one MGD is equal to 365 million gallons per year or 1,120 acre feet per year.

“Mitigation, Monitoring and Reporting Program or “MMRP” refers to the CEQA required program of mitigation and monitoring adopted by the SFPUC as part of Groundwater Storage and Recovery Project approval in Resolution No. 14-0127.

“Net Annual Debt Service” refers to debt service less payments made from proceeds of Indebtedness (e.g., capitalized interest), earnings on bond proceeds (e.g., reserve fund

earnings) used to pay Debt Service, and interest paid from renewed commercial paper, or from reserve fund liquidation.

“New Assets” refers to Regional and Hetch Hetchy Water-Only and Water-Related capital assets added to Regional Water System plant in service after June 30, 2009.

“New Regional Assets” refers to New Assets placed in service on or after July 1, 2009 that are used and useful in delivering water to Wholesale Customers. The following four categories comprise New Regional Assets:

1. 1. Water Enterprise Regional Assets
2. 2. Water Enterprise Direct Wholesale Assets
3. 3. Hetch Hetchy Water Only Assets
4. 4. Water-Related portion (45 percent) of Hetch Hetchy Joint Assets

“Participating Pumps” refers to the Wholesale Customers pumping groundwater who are parties to the Project Operating Agreement; specifically, the cities of Daly City and San Bruno and the California Water Service Company, South San Francisco Service Area.

“Participating Pumper Replacement Water” refers to the quantity of Regional Water System water that may be made available by the SFPUC to some or all of the Participating Pumps in accordance with Section 4.7 of the Project Operating Agreement.

“Power-Only,” when used with reference to Hetch Hetchy Enterprise capital costs and operating and maintenance expenses, means capital costs and expenses that are incurred solely for the construction and operation of assets used to generate and transmit electrical energy.

“Power-Related” refers to the power related portion (55%) of Joint Hetch Hetchy Enterprise assets or expenses.

“Prepayment” refers to payments of principal and interest amounts not due in the year the prepayment is made, as described in Section 5.03.

“Project Facility or Facilities” refers to all Groundwater Storage and Recovery Project assets, such as Project wells and all related fixed assets (e.g., real property, water treatment, connecting pipelines) that are acquired or constructed by the SFPUC pursuant to the Project

Operating Agreement and operated as Regional Water System assets for the allocation of capital costs and operation and maintenance expenses under this Agreement.

“**Project Operating Agreement**” refers to the “Agreement for Groundwater Storage and Recovery from the Southern Portion of the Westside Groundwater Basin by and among the San Francisco Public Utilities Commission, the City of Daly City, the City of San Bruno, and California Water Service Company,” dated as of December 16, 2014.

“Proportional Annual Use” means the shares of deliveries from the Regional Water System used by City Retail Customers and by the Wholesale Customers in a fiscal year, expressed as a percentage. The percentages of annual use are calculated each year as described in Section B of Attachment J and are shown on lines 10 and 11 of Table 1 of that Attachment.

“Proportional Water Use” refers the general principle of allocating Regional Water System costs based on the relative purchases of water by Retail and Wholesale Customers.

“Regional,” when used with reference to Water Enterprise capital assets and operating expenses, refers to assets and expenses that benefit Wholesale and Regional Customers.

“Regional Water System” means the water storage, transmission and treatment system operated by the SFPUC in Tuolumne, Stanislaus, San Joaquin, Alameda, Santa Clara, San Mateo and San Francisco counties, including projects constructed under the WSIP, but excluding Direct Retail and Direct Wholesale assets.

“Retail Customers” means any customer that purchases water from San Francisco that is not a Wholesale Customer, whether located inside or outside of San Francisco.

“Retail Service Area” means the areas where SFPUC sells water to Retail Customers.

“Retail Water” means water sold by the SFPUC to its Retail Customers within and outside San Francisco.

“San Francisco” refers to the City and County of San Francisco.

“SFPUC” refers to the San Francisco Public Utilities Commission as an operating department of San Francisco, the General Manager of which reports to the Commission.

“SFPUC Bureaus” refers to the portions of the SFPUC that provide support services to the SFPUC Operating Departments. These presently consist of the General Manager’s Office, Business Services, and External Affairs.

“SFPUC Operating Departments” refers to the Water, Hetch Hetchy and Wastewater Program Enterprises under the control and management of the SFPUC pursuant to the San Francisco Charter.

“SFPUC Storage Account” refers to the book account maintained by the SFPUC showing the amount of water stored in the Southern Westside Basin pursuant to the Project Operating Agreement.

“Shared Facilities” refers to an Existing Facility that is owned by a Participating Pumper, as upgraded through the expenditure of Regional capital costs under Section 5.04 of this Agreement and operated in part as a Project Facility.

“Substantially Expended”: A bond issue series is substantially expended when 98% of the proceeds and investment earnings contributed to the project fund have been expended.

“Supply Assurance” means the 184 MGD maximum annual average metered supply of water dedicated by San Francisco to public use in the Wholesale Service Area (not including San Jose and Santa Clara) in the 1984 Agreement and Section 3.01 of this Agreement.

“Target Balance,” for purposes of determining the Wholesale Capital Fund unencumbered balance under Section 6.08.E and amended Attachment M-3 beginning in FY 2018-19, means the sum of (i) the current year (FY 2018-19) wholesale share of the revenue funded capital appropriation for New Regional Assets pursuant to Section 5.04.B times the quotient of 4 divided by 5; plus (ii) the wholesale appropriation for the prior year (FY 2017-18) times the quotient of 3 divided by 5; plus (iii) the wholesale appropriation for the 2nd year prior (FY 2016-17) times the quotient of 2 divided by 5; plus (iv) the wholesale appropriation for the third year prior (FY 2015-16) times the quotient of 1 divided by 5. Such appropriations shall take into account any de-appropriations and/or reimbursements from bond proceeds or other sources. The fiscal years in parentheses used in this definition are for illustration purposes only.

“Term” means the 25-year term commencing July 1, 2009, including one or both 5-year extensions authorized by Section 2.02.A and B.

“Tier 1 Shortage Plan” refers to the Water Shortage Allocation Plan (Attachment H) adopted by the SFPUC and the Wholesale Customers in conjunction with this Agreement describing the method for allocating water between the SFPUC and the Wholesale Customers collectively for shortages of up to 20% of deliveries from the Regional Water System, as amended from time-to-time.

“Water Enterprise” refers to the San Francisco Water Department (SFWD), an SFPUC Operating Department.

“Water Management Charge” refers to the charge collected by San Francisco on behalf of BAWSCA for local water resource development in the Wholesale Service Area pursuant to Section 3.06 of this Agreement.

“Water-Only,” when used with reference to Hetch Hetchy Enterprise capital costs and operating and maintenance expenses, means capital costs and expenses that are incurred solely for the construction and operation of assets used to protect water quality or to provide for the delivery of water for consumptive purposes.

“Water-Related” refers to the water related portion (45%) of Joint Hetch Hetchy Enterprise assets or expenses.

“Water Supply Development Report” refers to the annual report prepared pursuant to Section 4.05, and submitted to the Commission for purposes of estimating whether Regional Water System demand will be within the Interim Supply Limitation by June 30, 2018.

“Wheeling Statute” refers to Article 4 of Chapter 11 of the California Water Code, as amended from time to time.

“Wholesale Capital Fund” is the account established by the SFPUC for deposit of Wholesale Customer revenue that is used to fund the wholesale share of revenue-funded New Regional Assets, as described in Section 6.08.

“Wholesale Customer” or “Customers” means one or more of the ~~2726~~ water customers identified in Section 1.0102 that are contracting for purchase of water from San Francisco pursuant to this Agreement.

“Wholesale Revenue Coverage” refers to the additional dollar amount included in wholesale rates each fiscal year that is charged to Wholesale Customers by the SFPUC for their proportionate share of Debt Service coverage under Section 6.06.A.

“Wholesale Revenue Coverage Reserve” refers to the account established by the SFPUC for deposit of Wholesale Revenue Coverage under Section 6.06.B.

“Wholesale Revenue Requirement” means the calculated Wholesale Customer portion of SFPUC Regional Water System capital and operating costs as determined in accordance with the provisions of Article 5 of this Agreement, formerly called the “Suburban Revenue Requirement” in the 1984 Agreement.

“Wholesale Service Area” means the combined service areas of the Wholesale Customers, as delineated on the service area maps attached to each Individual Water Sales Contract.

“WSIP” refers to the Water System Improvement Program approved by the Commission in Resolution No. 08-0200 on October 30, 2008, as amended from time to time.

ATTACHMENT C
INDIVIDUAL SUPPLY GUARANTEES

	(1)	(2)
WHOLESALE CUSTOMER	<u>100 Cubic Feet</u> <u>(per year)</u>^{1*}	<u>Million Gallons</u> <u>Per Day (MGD)</u>¹
Alameda County Water District	6,714,439	13.760
California Water Service Company ^{**2}	17,320,807	35.499
City of Brisbane	224,435	0.460
City of Burlingame	2,553,753	5.234
City of Daly City	2,094,386	4.292
City of East Palo Alto	<u>1,689,713</u> <u>957,813</u>	<u>3.463</u> <u>1.963</u>
City of Menlo Park	2,174,231	4.456
City of Millbrae	1,538,120	3.152
City of Milpitas	4,504,533	9.232
City of Mountain View	<u>6,079,715</u> <u>6,567,648</u>	<u>12.460</u> <u>13.460</u>
City of Palo Alto	<u>8,087,730</u> <u>8,331,697</u>	<u>16.575</u> <u>17.075</u>
City of Redwood City	5,333,115	10.930
City of San Bruno	1,583,899	3.246
City of Sunnyvale	6,138,122	12.580
Coastside County Water District	1,061,453	2.175
Estero Municipal Improvement District	2,878,807	5.900
Guadalupe Valley Municipal Improvement District	254,436	0.521
Mid-Peninsula Water District	1,898,707	3.891
North Coast County Water District	1,872,928	3.838
Purissima Hills Water District	792,832	1.625
Skyline County Water District	88,537	0.181
Stanford University	1,479,764	3.033
Town of Hillsborough	1,995,644	4.090
Westborough Water District	644,172	1.320
Total:^{***3}	79,004,278	161.913

Footnotes:

1. 100 Cubic feet per year = Million Gallons per Day / 0.00000204946. Figures in column (1) are calculated using unrounded MGD values and are more precise than the figures listed in column (2).
2. Includes quantities from Los Trancos County Water District and Palomar Park Water District.
- 1-3. Total does not equal sum of MGD figures due to rounding. Total is not 184 MGD because the table does not include the City of Hayward. Cordilleras Mutual Water Association is not a party to this Agreement, but it has its own Supply assurance of 3,007 hundred cubic feet (CCF).

*—— 100 Cubic feet equals MGD divided by 0.00000204946. Figures in this column are

~~calculated using unrounded MGD values and are more precise than the figures listed in column (2).~~

~~** Includes quantities from Los Trancos County Water District and Palomar Park Water District.~~

~~*** Total does not equal sum of MGD figures due to rounding. Total is not 184 MGD because table does not include the City of Hayward.~~

~~**** Cordilleras Mutual Water Association is not a party to this Agreement, but it has its own Supply Assurance of 3,007 hundred cubic feet (CCF).~~



City of Sunnyvale

Agenda Item

19-0152

Agenda Date: 2/26/2019

REPORT TO CITY COUNCIL

SUBJECT

CONTINUED FROM DECEMBER 4, 2018.

Consideration of Useable Open Space in Required Front Yards: Introduce an Ordinance to Amend Section 19.37.100 (Usable Open Space Design Requirements) of Chapter 19.37 (Landscaping, Irrigation and Useable Open Space) and Section 19.12.160 ("O") of Chapter 19.12 (Definitions) of the Sunnyvale Municipal Code, and Find that the Action is Exempt from CEQA Pursuant to CEQA Guidelines Section 15061(b)(3). (Study Issue)

SUMMARY OF COMMISSION ACTION

The Useable Open Space (UOS) Study Issue was considered by the Planning Commission on January 14, 2019. No members of the public spoke during the public hearing.

The Planning Commission voted 5-2 to recommend to the City Council in accordance with the Staff recommendation, with one modification that the Ordinance should state that allowing useable open space in the required front yard should not preclude planting of large-species trees, as such trees aid in establishing a sense of place, enhanced pedestrian shading, and noise reduction from the public street.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

ALTERNATIVES

1. Introduce an Ordinance to Amend Chapter 19.37 (Landscaping, Irrigation and Useable Open Space), including but not limited to (a) Medium, high and very high density multi-family residential zoning districts (R-3, R-4 and R-5), (b) Up to 50% of the required front yard may be counted toward the useable open space requirement, (c) Useable open space in the required front yard would not be a permitted use for a project with a front yard setback deviation or Variance, and Section 19.12.160 ("O") of Chapter 19.12 (Definitions) of the Sunnyvale Municipal Code (Attachment 3 to this report), and Find that the Action is Exempt from CEQA Pursuant to CEQA Guidelines Section 15061(b)(3) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.
2. Introduce an Ordinance with modifications to the staff recommendation, and Find that the Action is Exempt from CEQA Pursuant to CEQA Guidelines Section 15061(b)(3) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

3. Do not introduce an Ordinance and make no changes to the current standards of practice for UOS requirements.

STAFF RECOMMENDATION

Alternative 1: Introduce an Ordinance to Amend Chapter 19.37 (Landscaping, Irrigation and Useable Open Space), including but not limited to (a) Medium, high and very high density multi-family residential zoning districts (R-3, R-4 and R-5), (b) Up to 50% of the required front yard may be counted toward the useable open space requirement, (c) Useable open space in the required front yard would not be a permitted use for a project with a front yard setback deviation or Variance, and Section 19.12.160 ("O") of Chapter 19.12 (Definitions) of the Sunnyvale Municipal Code (Attachment 3 to this report), and Find that the Action is Exempt from the California Environmental Quality Act (CEQA) Pursuant to CEQA Guidelines Section 15061(b)(3) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

Staff recommends amending the requirement that prohibits front yard area to be counted towards the UOS requirement, without the added language from the Planning Commission recommendation. The staff recommendation provides criteria on when to allow UOS in the required front yard in specified multi-family residential zoning districts (unless provided for through an area plan, such as Downtown Specific Plan). The new regulations would simplify the permitting process by eliminating the need for deviations and additional calculations and provide clarity on when useable open space is appropriate in this area of the site.

Additionally, the staff recommendation would not adversely impact the City's efforts to maintain and preserve a good street environment for residential neighborhoods, and would continue to provide adequate amenities for residents. The elimination of the location requirement that prohibits UOS in the required front yard would also ease the challenges in meeting minimum density requirements (especially for smaller projects).

Staff is not concerned that allowing UOS in the required front yard would result in a development being "pushed back" on a property, or sited closer to adjacent buildings than currently allowed because the project would still have to comply with other applicable development standards, including the minimum setback requirements.

Although the Planning Commission included language in their recommendation on the intent of the Ordinance modifications, staff does not believe it is necessary to include the additional language because no changes to other open space, or development requirements have been made with this study issue that would preclude growth of large trees in the front yard setback area. Sunnyvale has numerous policies and programs that encourage attractive and pedestrian-friendly development and preservation of quality of life in residential neighborhoods, which promotes quality landscaping. As additional information, staff notes that trees are not typically effective noise buffers; tall, wide and dense barriers are needed to reduce or abate noise. Trees can provide a sense of place and shading.

If the City Council opts to follow the Planning Commission recommendation, staff suggests the following language be added to the Ordinance:

Section 19.37.100 (c) Location. Useable open space may not be located in any required front yard area for projects with a front yard setback variance or deviation. Otherwise, up to 50% of the required front yard area may be counted toward the useable open space requirements, unless, in the opinion of the city arborist, there would be insufficient front yard space to support healthy growth of a large-species tree that would otherwise be appropriate for the site.

Prepared by: Kelly Cha, Associate Planner

Reviewed by: Amber Blizinski, Principal Planner

Reviewed by: Andrew Miner, Assistant Director, Community Development

Reviewed by: Trudi Ryan, Director, Community Development

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Report to Planning Commission 18-0724, January 14, 2019 (without attachments)
2. Study Issue Paper
3. Draft Ordinance
4. UOS Regulations from the Sunnyvale Municipal Code
5. Summary Table of Approved Projects with a UOS Deviation
6. Open Space and UOS Regulations from other Jurisdictions

Additional Attachments for Report to Council

7. Excerpt of Minutes of the Planning Commission Meeting of January 14, 2019



City of Sunnyvale

Agenda Item

18-0724

Agenda Date: 1/14/2019

REPORT TO PLANNING COMMISSION

SUBJECT

Consideration of Useable Open Space in Required Front Yards: Forward a Recommendation to the City Council to Introduce an Ordinance to Amend Section 19.37.100 (Usable Open Space Design Requirements) of Chapter 19.37 (Landscaping, Irrigation and Useable Open Space) and Section 19.12.160 ("O") of Chapter 19.12 (Definitions) of the Sunnyvale Municipal Code, and Find that the Action is Exempt from CEQA Pursuant to CEQA Guidelines Section 15061(b)(3). (Study Issue)

REPORT IN BRIEF

Since 2005, the Planning Commission has reviewed and approved nine development applications that included a request for a deviation to allow useable open space (UOS) in the required front yard. The Planning Commission sponsored a study issue (Attachment 2) to evaluate the existing UOS regulations and consider amendments that may allow UOS to be provided in the required front yard for multi-family residential development projects.

UOS is a requirement for all duplex and multi-family residential developments, and generally refers to open space that is intended for both active and passive activities. There are specific size and dimension requirements per unit for UOS within a development project. Although UOS may contribute towards the minimum landscaped area of the site, it is not currently allowed within the required front yard of a property.

Staff recommends that the Planning Commission make a recommendation to the City Council to: introduce an ordinance to amend Chapter 19.37 (Landscaping, Irrigation and Useable Open Space) and Section 19.12.160 ("O") of Chapter 19.12 (Definitions) of the Sunnyvale Municipal Code, and find that the action is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3). The recommendation would eliminate the requirement that prohibits UOS in required front yards for duplex and multi-family residential development projects. Removal of this regulation would provide applicants with clear development criteria for UOS and should not cause negative impacts on surrounding properties.

Although the study issue paper prepared for this item mentions the UOS guidelines for townhome projects, it can also be applied to larger projects. For taller projects (over three stories), it may be prudent to allow less of the setback area to be used for open space requirements because that area may be less attractive to be used by residents and functions more like landscaped area. Also, if a front yard setback deviation or Variance is requested for a project (effectively reducing the area between the front of a building and the property line), that area is even less likely to be available for use by residents and functions more like standard landscaped area. To address taller, high density projects and potential requests to reduce the front setback, staff recommends UOS requirements to be counted for only one-half of the required front setback for buildings over three stories.

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The proposed draft ordinance language reflecting the staff recommendation can be found in Attachment 3.

BACKGROUND

When the UOS regulations were first introduced in 1975, the intent was to require developers to provide quality open space that could be used by the residents who live in multi-family residential development in-lieu of the typical single-family back yard space; and, therefore, help improve the quality of life for residents of multifamily developments. UOS has not been allowed (at least for calculation purposes) in the required front yard primarily to create a buffer between public spaces (streets, sidewalks) and the open space on the private residential property. The UOS requirements have not changed significantly since they were adopted, except minimum square footage requirements were added for the various zoning districts, and a requirement for private useable open space was added for High Density Residential (R-4 and R-5) zoning districts.

In 2012, after the Planning Commission had reviewed a development application proposal with a UOS deviation request in which an applicant proposed using the required front yard area to comply the UOS requirement, this study issue was sponsored to consider allowing UOS in the required front yard area under specific criteria and/or modifications to the development standards.

The study issue was ranked in the past several years; however, it “fell below the line” of study issues that the Community Development Department was able to conduct, until 2018.

The City Council is scheduled to consider this item on February 26, 2019.

EXISTING POLICY

Sunnyvale General Plan

Chapter 3: Land Use and Transportation Element

GOAL LT-4: An Attractive Community for Residents and Businesses - In combination with the City’s Community Design Sub-Element, ensure that all areas of the city are attractive and that the city’s image is enhanced by following policies and principles of good urban design while valued elements of the community fabric are preserved.

- Policy LT-4.1* Preserve and enhance an attractive community, with a positive image, a sense of place, landscaping, and a human scale.
- Policy LT-4.3* Enforce design review guidelines and zoning standards that ensure the mass and scale of new structures are compatible with adjacent structures, and also recognize the City’s vision of the future for transition areas such as neighborhood Village Centers and El Camino Real nodes.
- Policy LT-4.4* Avoid monotony and maintain visual interest in newly developing neighborhoods, and promote appropriate architectural diversity and variety. Encourage appropriate variations in lot sizes, setbacks, orientation of homes, and other site features.

Chapter 4: Community Character

Goal CC-2: Attractive Street Environment. Create an attractive street environment which will compliment private and public properties and be comfortable for residents and visitors.

Goal CC-3: Well-Designed Sites and Buildings. Private Development: Ensure that buildings and

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related site improvements for private development are well designed and compatible with surrounding properties and districts.

Policy CC-3.2 Ensure site design is compatible with the natural and surrounding built environment.

Chapter 5: Housing Element

Policy HE-4.3 Require new development to build to at least 75 percent of the maximum zoning density, unless an exception is granted by the City Council.

Sunnyvale Municipal Code

Summaries of applicable Municipal Code chapters and sections are provided below. The specific language on the UOS regulations can be found in Attachment 4.

Chapter 19.12 (Definitions)

- Section 19.12.160 (“O”). “Open space, usable” means an outdoor or unenclosed area on the ground, or on a roof, balcony, deck, porch, pool area, patio or terrace or recreation building, when designed and accessible for outdoor living, recreation, pedestrian access or landscaping, but excluding parking facilities, driveways, utility, service or storage areas.

Chapter 19.37 (Landscaping, Irrigation, and Useable Open Space)

- Section 19.37.040 (Minimum Landscaped Area and Usable Open Space).
This Section provides required minimum size per unit for all types of open space, including UOS, for different zoning districts in the City.
- Section 19.37.100 (Usable Open Space Design Requirements)
This Section provides design criteria for UOS, which include function, location, minimum dimensions and size to be counted towards the required UOS, as well as private UOS requirements for R-4 and R-5.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a “project” within the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines Section 15061(b)(3) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

Projects that are subject to the requirements of the new regulations will be evaluated pursuant to CEQA on an individual basis.

DISCUSSION

Overview

When the UOS regulations were adopted in 1975, it was uncommon for housing projects to have primary entrances that fronted on the public street. At that time, entrances were usually accessed through common property or parking areas and the street elevation was often less activated. Residential development patterns have changed since the 1970’s, and priority has been placed on walkable/active streets. Due to this change in trend, the City has created design guidelines that emphasize activating streetscapes and providing public and private open space, which lends itself to providing primary entrances to residential units along street elevations.

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In Sunnyvale, open space includes both the landscaped area and UOS on the property. The landscaped area generally refers to any open area planted with vegetation, usually used for screening or decoration, while UOS refers to open, unenclosed, or recreational areas or buildings used for active and passive open space activities. UOS in a development must meet the minimum size requirements, depending on the zoning district, and have a minimum dimension of 12 feet in any direction.

Currently, UOS is prohibited in required front yards without approval of a deviation in conjunction with a Special Development Permit, or a Variance request in conjunction with a Use Permit or Design Review application. The Planning Commission has approved deviations on development projects to allow UOS in the required front yard, and the common characteristics of those projects are further described below.

A general principle of zoning regulations is to consider code amendments if variances or other deviations in standards are frequently granted. The purpose of this study is to consider creating clear criteria for when UOS would be allowed in a required front yard which in turn would reduce the need for a deviation or Variance requests. The study also considers whether to allow UOS in front yard setbacks of buildings over three stories, and whether to allow UOS that do not meet the minimum standard front setback requirements. As a result of the study, staff is recommending the attached ordinance (Attachment 3) to amend the regulations.

Approved Projects with UOS Deviation

Staff reviewed projects that had approved deviations to allow UOS in the required front yard, and found the following common elements:

- Townhouse-style development projects with 10 or fewer units;
- Located in the Medium Density Residential (R-3) zoning district;
- Project proposed on a corner lot with two required front yards; and
- Parcels that are less than 25,000 square feet in size.

In addition to the projects described above with approved UOS deviations, some multi-family residential developments in the higher density zoning districts (R-4 or R-5) have submitted applications with requests to reduce the minimum UOS requirement per unit; however, these requests have been approved as concessions, in accordance with the State Density Bonus laws, and not with a deviation.

Applications with requests for deviations from the UOS allowances in the required front yard have been submitted for higher density properties, but most of those projects were modified prior to Planning Commission consideration of the application. In those cases, because the lots are usually larger, staff has encouraged the applicant to shift the building/s, and the deviation has been avoided with redesign of the site plan.

Other Jurisdictions

In addition to the research staff conducted on Sunnyvale projects, research was also conducted with nearby jurisdictions to understand if, and how, UOS is regulated. Staff found that both Palo Alto and Redwood City have UOS requirements for multi-family residential zoning districts. Redwood City prohibits UOS in required front yards, similar to Sunnyvale, while Palo Alto has more categorized UOS requirements, including the total UOS, common useable space, and private UOS for residential

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developments. Additionally, Palo Alto has specific design criteria for UOS, similar to Sunnyvale, but includes no locational prohibitions. Other cities, Mountain View and Santa Clara, have general open space requirements, but do not specifically require UOS. A comparison of the nearby jurisdictions open space requirements can be found in Attachment 6.

Options

There are several options that can be considered to address this issue. Most address the original concern regarding how the UOS requirements relate to townhome projects, specifically those with two street frontages. But Sunnyvale is experiencing more high-density projects at taller heights, and the UOS standards are also important to consider for these projects. Below are different options to consider:

In addition to making no changes to the regulations, staff considered a number of permutations based on: zoning district, number of units, size of lot, frontage length, location (corner vs. mid-block), whether a project meets minimum setback, and, what portion of the UOS or setback area could be located in a setback area. The following paragraphs provide brief comments on each of these permutations.

A. Make no changes

This option would not change any of the current regulations or practices for UOS. Development applications would have UOS deviation requests considered on a case-by-case basis. The deviation request to allow UOS in required front yards has lessened and is not very common, and on most lots the UOS requirements can be achieved as currently regulated. The current deviation process allows the Planning Commission flexibility in considering deviation requests. The downside of this approach is that it does not provide applicants with clear guidance whether a project design meets the community expectations (through decisions of the Planning Commission or Council) until the public hearing for the project.

B. Allow UOS in required front yards in multi-family residentially-zoned areas (R-2, R-3, R-4, and R-5).

This option would eliminate the need for the deviation or Variance and authorizes the use of the required front setback (yard) as UOS, provided the area meets all the other dimensional requirements for UOS. This change would allow projects in multi-family residential developments to utilize the space between the residential building and the street, and could help to activate the streetscape. Active UOS uses such as play equipment (vs. passive uses such as seating, strolling) could be perceived by the public as cluttered and less safe for users. If useable open space is provided within the front yard setback there will be less and potentially smaller useable open space areas on the interior of a development. Under the current regulations UOS can be located between the building and the street, provided the UOS is behind the minimum setback.

If this option is chosen, staff recommends pairing it with additional options such as only a portion of the required front yard, smaller projects or corner projects.

C. Do not allow UOS in front yard setback areas that do not meet minimum setback

A drawback to allowing the UOS in the front setback area is when a request to reduce the front yard setback is included in the project. In cases where a deviation or variance request is included as part of the project, it is less likely that the front area is appropriate for UOS. The reduced setback tends to function less as useable open space and more as landscaping only.

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D. Allow UOS in the required front yard only in the R-3 zoning district.

As shown in Attachment 5, the deviation approvals have been for projects in the R-3 zoning district, which tend to be smaller in size than R-4 or R-5 project sites and are usually developed with a townhouse style development that are 2-3 stories in height. This medium density development style lends itself to providing UOS on the ground level, typically in a back (or front) yard setting, like a single-family house. Additionally, because higher density development projects are typically built on larger sites, there is more room to design a project, and to comply with the UOS requirements. R-4 (high density) projects have a requirement for private useable open space which is typically satisfied with balconies on upper stories. To date, the Planning Commission (or City Council) have not considered requests for UOS in the front yard setback areas on R-4 and R-5 projects; however, these zoning districts are now seeing more applications. Limiting the change to R-3 projects would be consistent to past requests and could be seen to ensure that a balance of UOS and landscape buffer is provided.

E. UOS for projects higher density multi-family residential districts

Projects in R-4 and R-5 zoning areas which exceed three stories in height have an increased front yard setback requirement (i.e., additional setback is at least half of the building height above three stories). Including R-4 and R-5 zoning designations in the UOS amendments would allow the increased setback area to be used as UOS, provided there is no reduction in the required front yard setback.

F. Allow UOS in front yard setbacks for fewer than 10 units

Multifamily residential development projects with ten or more units are eligible for the State Density Bonus program, and can request a reduction of the minimum UOS requirements as a concession. However, residential development projects with fewer than ten units are not eligible for the State Density Bonus; and may have challenges meeting the UOS requirements and other provisions (including minimum density) without requesting the deviation. As shown in Attachment 5, past projects that have been granted the UOS deviation were development projects with fewer than ten units; another common trait seen in the UOS deviation approvals.

G. Allow UOS in the required front yards only on corner lots

Corner lots generally have constraints because they have two required front yards and are required to meet the minimum density requirement of at least 75% of the maximum density. As shown in Attachment 5, this is a common factor of those projects in which the UOS deviation has been allowed. This option does not differentiate between large or small properties; the previously approved deviations were all smaller developments.

H. Allow up to 50% of the required front yard to be used as UOS.

This option would pair with the ability to use the required front setback for UOS with restriction that only half (50%) of the area can be designated as useable open space. Limiting use of the front setback (for UOS) is similar to the existing rear yard regulations that allow structures closer to the rear property line subject to a limitation that no more than 25% of the required rear yard area is used. This approach provides applicants and decision-makers additional flexibility in designing projects and preserves a portion of the front setback area for less active/useable features.

Conclusion

Staff considered several items that led to the options as part of this study, including:

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- Evaluation of existing regulations;
- Examination of the common patterns of past projects with UOS deviation approvals;
- Current development projects;
- Public input from residents and developers;
- Potential impacts that could arise from modifications to the current regulations; and
- Information from nearby jurisdictions on how open space is regulated.

Staff supports allowing UOS in the required front yard setback for the medium, high and very high density multi-family residential areas (R-3, R-4 and R-5), subject to some restrictions, described below. The change would provide flexibility to project design and give all parties an opportunity to provide superior design in exchange for activating street frontages. Staff does not, however, support code modifications allowing UOS in the required front yard setback if there is a requested variance or deviation from minimum setback. Combining a reduced setback with allowing UOS in that area removes landscape buffer areas to the front of projects.

Staff recommends the following alternative:

Amend the zoning code to allow UOS in the front yard setback to be allowed as follows:

- Applies to medium, high and very high density multi-family residential zoning districts (R-3, R-4 and R-5);
- Up to 50% of the required front yard may be counted toward the UOS requirement; and
- UOS would not be a permitted use for a project with a front yard setback deviation or Variance.

Other options can be considered to further restrict when the UOS in the front yard setback area, such as restricting it to only R-3-zoned properties, limit to three story and lower projects, limit to fewer than 10 unit projects, or for corner lots only; staff has determined expanding the regulations to all multi-family residential zoning districts along with the exclusion of allowing the use of UOS in those areas in conjunction with a front yard setback deviation or Variance will limit the inappropriate use of the regulation.

FISCAL IMPACT

The proposed amendments to the Sunnyvale Municipal Code associated with useable open space requirements would have no fiscal impacts.

PUBLIC CONTACT

Public contact regarding this item was made through the following ways:

1. Posting the Agenda for Planning Commission on the City's official notice bulletin board outside City Hall and by making the agenda and report available at the Sunnyvale Public Library and on the City's website;
2. Publication in the *Sun* newspaper, at least 10 days prior to the hearing;
3. E-mail notification of the hearing dates sent to all interested parties and neighborhood associations; and
4. Two community outreach meetings held to discuss the study issue on August 3, 2018 and August 6, 2018.

Staff has not received any comments from the public, beyond those discussed at the outreach meetings, at the time of report publication. An overview of the outreach meeting discussion is

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provided below.

Planning Commission Study Session

A study session with the Planning Commission was held on July 23, 2018, six Planning Commissioners were in attendance.

The Planning Commission had the following comments on the study issue:

- That flexibility is preferred when considering projects with UOS deviation requests because each project has different circumstances that may or may not warrant the deviation;
- That the deviation may be most appropriate for small corner lots, due to the two required front yards, and design constraints;
- If UOS is allowed in the required front yard, it should be counted towards the common UOS and not the private UOS;
- Concern was raised that by allowing UOS in the required front yard a project may be pushed towards the back of the site and closer to adjacent development; and
- Allowing UOS in the required front yard may result in reduced open space and landscaped area within a development project.

Community Outreach Meetings

Staff conducted two community outreach meetings on August 3, 2018 in the morning and August 6, 2018 in the evening. A total of four people attended the meetings, two from the development community and two community members.

The community members expressed concerns that allowing active UOS in the required front yard could create safety concerns for drivers. They also felt that the required front yard currently creates a buffer between the public right-of-way and the development project and worried that UOS in that area may not be as aesthetically pleasing. One of the attendees, representing the development community, requested that if the standards were to be modified, they would like to see clear and easy to understand standards to avoid uncertainties. This attendee also remarked that they would like to see UOS allowed in the required front yard.

ALTERNATIVES

1. Introduce an Ordinance to Amend Chapter 19.37 (Landscaping, Irrigation and Useable Open Space), including but not limited to (a) Medium, high and very high density multi-family residential zoning districts (R-3, R-4 and R-5), (b) Up to 50% of the required front yard may be counted toward the useable open space requirement, (c) Useable open space in the required front yard would not be a permitted use for a project with a front yard setback deviation or Variance, and Section 19.12.160 ("O") of Chapter 19.12 (Definitions) of the Sunnyvale Municipal Code (Attachment 3 to this report), and Find that the Action is Exempt from CEQA Pursuant to CEQA Guidelines Section 15061(b)(3) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.
2. Introduce an Ordinance with modifications to the staff recommendation, and Find that the Action is Exempt from CEQA Pursuant to CEQA Guidelines Section 15061(b)(3) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.
3. Do not introduce an Ordinance and make no changes to the current standards of practice for

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UOS requirements.

STAFF RECOMMENDATION

Recommend to City Council Alternative 1: Introduce an Ordinance to Amend Chapter 19.37 (Landscaping, Irrigation and Useable Open Space), including but not limited to (a) Medium, high and very high density multi-family residential zoning districts (R-3, R-4 and R-5), (b) Up to 50% of the required front yard may be counted toward the useable open space requirement, (c) Useable open space in the required front yard would not be a permitted use for a project with a front yard setback deviation or Variance, and Section 19.12.160 ("O") of Chapter 19.12 (Definitions) of the Sunnyvale Municipal Code (Attachment 3 to this report), and Find that the Action is Exempt from CEQA Pursuant to CEQA Guidelines Section 15061(b)(3) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

Staff recommends amending the requirement that prohibits front yard area to be counted towards the UOS requirement. The staff recommendation provides criteria on when to allow UOS in the required front yard in specified multi-family residential zoning districts (unless provided for through an area plan, such as Downtown Specific Plan). The new regulations would simplify the permitting process by eliminating the needs for deviations and additional calculations and provide clarity on when useable open space is appropriate in this area of the site.

Additionally, the staff recommendation would not adversely impact the City's efforts to maintain and preserve good street environment for residential neighborhoods, and would continue to provide adequate amenities for residents. The elimination of the location requirement that prohibits UOS in the required front yard would also ease the challenges in meeting minimum density requirements (especially for smaller projects).

Staff is not concerned that allowing UOS in the required front yard would result in a development being "pushed back" on a property, or sited closer to adjacent buildings than currently allowed because the project would still have to comply with other applicable development standards, including the minimum setback requirements.

Prepared by: Kelly Cha, Associate Planner

Reviewed by: Amber Blizinski, Principal Planner

Reviewed by: Andrew Miner, Assistant Director, Community Development

Reviewed by: Trudi Ryan, Director, Community Development

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Reserved for Report to Council
2. Study Issue Paper
3. Draft Ordinance
4. UOS Regulations from the Sunnyvale Municipal Code
5. Summary Table of Approved Projects with a UOS Deviation
6. Open Space and UOS Regulations from other Jurisdictions



City of Sunnyvale

Agenda Item

17-0910

Agenda Date: 2/16/2018

2018 COUNCIL STUDY ISSUE

NUMBER

CDD 13-02

TITLE Consideration of Usable Open Space in Required Front Yards

BACKGROUND

Lead Department: Community Development

Support Departments: Office of the City Manager

Office of the City Attorney

Sponsor(s): Planning Commission

History: 1 year ago: Ranked, Below the Line

2 years ago: Deferred

SCOPE OF THE STUDY

What precipitated this study?

Developers of small townhouse developments have requested and the Planning Commission has approved, through a Special Development Permit, the ability to count a portion of the required front yard area towards the minimum usable open space requirement. This practice is now relatively common; when the zoning regulations for usable open space were adopted townhouse developments that allowed access from the public street were not typical. Design guidelines adopted since then have put more emphasis on activating the streetscape with entries and private areas. The portions that have been credited toward required open space are the privately fenced yards in front of the townhouse units.

What are the key elements of the study?

Usable open space is required for multi-family residential projects in the City. Pursuant to Sunnyvale Municipal Code Section 19.37.100, landscaped areas in the required front yard cannot be counted towards usable open space. This study would review open space regulations and evaluate whether there are instances or criteria that would permit required front yard areas to be counted towards required usable open space and not be deemed a deviation from the Sunnyvale Municipal Code (SMC).

Estimated years to complete study: 1 year

FISCAL IMPACT

Cost to Conduct Study

Level of staff effort required (opportunity cost): Moderate

Funding Required for Non-Budgeted Costs: \$0

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Cost to Implement Study Results

Minimal or no cost expected to implement.

EXPECTED PARTICIPATION IN THE PROCESS

Council-Approved Work Plan: No

Council Study Session: No

Reviewed by Boards/Commissions: Planning Commission

STAFF RECOMMENDATION

Support. This policy issue merits discussion at the 2018 Study Issues Workshop.

The study issue would develop clear criteria for allowing front yards to partially meet the open space requirements for residential projects (primarily townhouse projects). By providing specific zoning standards or guidelines that define the conditions and situations where the front yard can be counted toward required open space, it would streamline the review process. Staff had anticipated being able to complete this policy change as part of the zoning code retooling; however, the schedule for the retooling effort has fallen behind due to other workload items and staff availability. The retooling effort will recommence when sufficient staff time is available.

Prepared by: Trudi Ryan, Director, Community Development

Reviewed by: Teri Silva, Interim Assistant City Manager

Approved by: Kent Steffens, Interim City Manager

DRAFT 1/9/2019 dm

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY
OF SUNNYVALE TO AMEND VARIOUS SECTIONS OF
TITLE 19 (ZONING) OF THE SUNNYVALE MUNICIPAL
CODE RELATING TO USEABLE OPEN SPACE**

WHEREAS, the City of Sunnyvale desires to amend certain sections of the Sunnyvale Municipal Code Title 19 Zoning relating to useable open space.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SUNNYVALE DOES
ORDAIN AS FOLLOWS:

SECTION 1. Section 19.12.160 AMENDED. Section 19.12.160 of Chapter 19.12 (Definitions) of Title 19 (Zoning) of the Sunnyvale Municipal Code is hereby amended to read as follows:

Section 19.12.160. "O"

(1) – (4) [Text Unchanged]

(5) Open space, useable" means an outdoor or unenclosed area on the ground, or on a roof, balcony, deck, porch, pool area, patio or terrace or recreation building, when designed and accessible for outdoor living, recreation, pedestrian access or landscaping, but excluding parking facilities, driveways, utility, service or storage areas.

(6) – (9) [Text Unchanged]

SECTION 2. Section 19.37.100 AMENDED. Section 19.37.100 of Chapter 19.37 (Landscaping, Irrigation and Useable) of Title 19 (Zoning) of the Sunnyvale Municipal Code is hereby amended to read as follows:

Section 19.37.100. Useable open space design requirements.

(a) Function. Useable open space must be designed to be accessible to, and usable for outdoor living, recreation or utility use.

(b) Applicability. The provisions of this section shall apply to all new multi-family residential development in R-3, R-4, and R-5 zoning districts.

(cb) Location. Useable open space may not be located in any required front yard area for projects with a front yard setback variance or deviation. Otherwise, up to 50% of the required front yard area may be counted toward the useable open space requirement.

~~Useable open space may not be located in any required front yard area.~~

(ed) Minimum Useable Open Space Dimensions and Area. Each useable open space area shall have at least a twelve foot dimension in any direction and a minimum area of two hundred square feet except for:

(1) - (2) [Text Unchanged]

(~~de~~) Private Useable Open Space Required. In the R-4 and R-5 zoning districts, a minimum of eighty square feet per unit shall be designed as private useable open space.

SECTION 3. CEQA - EXEMPTION. The City Council finds, pursuant to Title 14 of the California Code of Regulations, Section 15061(b)(3), that this ordinance is exempt from the requirements of the California Environmental Quality Act (CEQA) in that it is not a Project which has the potential for causing a significant effect on the environment.

SECTION 4. CONSTITUTIONALITY; SEVERABILITY. If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid, such decision or decisions shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance, and each section, subsection, sentence, clause and phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid.

SECTION 5. EFFECTIVE DATE. This ordinance shall be in full force and effect thirty (30) days from and after the date of its adoption.

SECTION 6. POSTING AND PUBLICATION. The City Clerk is directed to cause copies of this ordinance to be posted in three (3) prominent places in the City of Sunnyvale and to cause publication once in The Sun, the official publication of legal notices of the City of Sunnyvale, of a notice setting forth the date of adoption, the title of this ordinance, and a list of places where copies of this ordinance are posted, within fifteen (15) days after adoption of this ordinance.

Introduced at a regular meeting of the City Council held on _____, and adopted as an ordinance of the City of Sunnyvale at a regular meeting of the City Council held on _____, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:
RECUSAL:

ATTEST:

APPROVED:

City Clerk
Date of Attestation: _____

Mayor

(SEAL)

APPROVED AS TO FORM:

City Attorney

Sunnyvale Municipal Code[Up](#)[Previous](#)[Next](#)[Main](#)[Search](#)[Print](#)[Title 19. ZONING](#)[Article 4. GENERAL DEVELOPMENT STANDARDS](#)[Chapter 19.37. LANDSCAPING, IRRIGATION AND USEABLE OPEN SPACE](#)**19.37.040. Minimum landscaped area and usable open space.**

(a) **Minimum Landscaped Area.** Table [19.37.040](#) describes the minimum landscaped area and usable open space required by zoning district. In addition to the minimum landscaped area, areas not used for buildings, parking lot areas, driveways or pedestrian walkways shall be landscaped unless the review authority determines that landscaping is not necessary to achieve the purposes of this chapter. For projects not involving redevelopment of the entire site, the director of community development may allow less landscaped area than required by Table [19.37.040](#) if existing physical constraints on the site (such as structures, parking or circulation) limit the amount of landscaping that can be provided.

(b) **Landscaped Buffer Required.** A landscaped buffer is required for any property with a nonresidential use in a residential zoning district that abuts a residential use and for any use in a nonresidential zoning district which abuts a residential zoning district. Landscaped buffers must be designed to meet the following:

(1) **Width.** The buffer shall maintain a width of at least ten feet.

(2) **Landscaping.** The buffer shall include a planted screen of approved trees and shrubs which shall be placed along the length of the buffer at intervals not to exceed twenty feet; provided, however, that the approving body may grant exceptions as part of any discretionary permit when warranted by conditions on the property.

(3) **Wall Design.** The buffer shall include a decorative masonry wall six feet in height measured from the highest adjoining grade. When the adjacent nonresidential building is two stories or more in height, the decorative masonry wall shall be eight feet measured from the highest adjoining grade. Where a residential use is permitted in a nonresidential zoning district, the wall shall be required on the residential property, unless a wall already exists.

(c) **Landscaped Frontage Strip Required.** A fifteen-foot wide landscaped frontage strip is required for all properties except for single-family properties which have a frontage on a public street. The frontage strip is measured from the inside edge of the public sidewalk, or if no sidewalk exists, from the curb. Frontage strip landscaping may be crossed by walkways and access drives.

(d) **Usable Open Space Required.** Usable open space is required for all duplex and multifamily residential properties as described in Table [19.37.040](#). Usable open space areas that meet the definition of landscaping may contribute towards the minimum landscaped area of the site. Required usable open space shall meet the requirements of Section [19.37.100](#) (Usable open space design requirements).

(e) **Allowances and Limitations for Single-Family Uses and Single-Family Zoning Districts.**

(1) **Allowances for Single-Family Zoning Districts.** Yards are not required to be landscaped in single-family zoning districts; however, the provisions of this chapter apply if landscaping is provided and meets the criteria in Section [19.37.020](#) (Applicability).

(2) **Limitation on Paved Areas in the R-0 and R-1 Zoning Districts.** Not more than fifty percent of the required front yard of any lot within an R-0 or R-1 zoning district shall be paved with asphalt, concrete cement, or any other impervious surface, except as may be required to meet off-street parking and access requirements of Chapter [19.46](#).

Table [19.37.040](#)**Minimum Landscaped Area and Usable Open Space by Zoning District**

Zoning District	Usable Open Space	Other Landscaped Area	Parking Lot Landscaped Area	Total Landscaped Area
R-0	N/A	N/A	N/A	N/A

R-1	N/A	N/A	N/A	N/A
R-1.5	N/A	N/A	N/A	N/A
R-1.7/PD	N/A	N/A	N/A	N/A
R-2	500 sq. ft./unit ¹	850 sq. ft./unit	20% of the parking lot area	Total minimum landscaped area is the combination of the minimum parking lot landscaped area and other landscaped area. In no case shall this total be less than 20% of the lot area.
R-3	400 sq. ft./unit	425 sq. ft./unit		
R-4	380 sq. ft./unit	375 sq. ft./unit		
R-5	380 sq. ft./unit	375 sq. ft./unit		
C-1	N/A	12.5% of floor area		
C-2	N/A	12.5% of floor area		
C-3	N/A	12.5% of floor area		
C-4	N/A	12.5% of floor area		
O	N/A	10% of lot area		
P-F	N/A	10% of lot area		
M-S	N/A	10% of floor area		
M-3	N/A	10% of floor area		

¹ One thousand square feet of usable open space is required for a property with an accessory dwelling unit. (Ord. 3105-16 § 6; Ord. 3082-16 § 1; Ord. 2918-10 § 3).

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Sunnyvale Municipal Code[Up](#)[Previous](#)[Next](#)[Main](#)[Search](#)[Print](#)[Title 19. ZONING](#)[Article 4. GENERAL DEVELOPMENT STANDARDS](#)[Chapter 19.37. LANDSCAPING, IRRIGATION AND USEABLE OPEN SPACE](#)**19.37.100. Usable open space design requirements.**

- (a) Function. Usable open space must be designed to be accessible to, and usable for outdoor living, recreation or utility use.
- (b) Location. Usable open space may not be located in any required front yard area.
- (c) Minimum Usable Open Space Dimensions and Area. Each usable open space area shall have at least a twelve foot dimension in any direction and a minimum area of two hundred square feet except for:
- (1) Private balconies must have a minimum of seven feet in any direction and a minimum area of eighty square feet.
 - (2) Roofs, decks or porches must have a minimum of ten feet in any direction and a total of one hundred twenty square feet.
- (d) Private Usable Open Space Required. In the R-4 and R-5 zoning districts, a minimum of eighty square feet per unit shall be designed as private usable open space. (Ord. 3082-16 § 1; Ord. 2918-10 § 3).
-

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Permit#	Project Address	Project Description	Lot Size	Provided UOS	Reason for UOS Deviation
Projects in R-3 Zoning Districts					
2011-7829	411 and 425 North Fair Oaks and 599 Taylor Avenue	SDP: 8 townhomes	17,642 s.f.	385 s.f.	<ul style="list-style-type: none"> The lot is a small corner lot. Conflict between the minimum density (75% min. density requirement), access and parking requirements, and design and setback requirements.
2007-1106	1202-1204 Cortez Drive and 189-191 South Bernardo Avenue	SDP: 8 townhomes	17,434 s.f.	267 s.f.	<ul style="list-style-type: none"> Corner lot with two fronts Reduction in overall unit size needed to achieve modest increase in UOS If only one front yard is considered, then USO increases to 524 s.f.
2007-1107	185 South Bernardo Avenue	SDP: 8 townhomes	17,434 s.f.	267 s.f.	<ul style="list-style-type: none"> Corner lot with two fronts Reduction in overall unit size needed to achieve modest increase in UOS If only one front yard is considered, then USO increases to 524 s.f.
2014-7423	1071 Noriega Avenue	SDP: 10 townhomes (included rezoning to R-3/PD from R-3)	20,986 s.f.	254 s.f. and 73 s.f. of private balcony (80 s.f. min. for private useable open space)	<ul style="list-style-type: none"> Small corner lot Tension between minimum density requirement and site design requirements (ped/vehicular access, parking, setback, onsite stormwater management) One front yard considered for UOS, it increases to 425 s.f. even with half credits
2014-7770	845 Maria Lane	DR: 5 townhouse style condo units VAR: allow UOS in the required front yard	10,298 s.f.	441 s.f. (if front yard considered as UOS)	<ul style="list-style-type: none"> Corner lot Reduces the driveways cuts Provides a friendlier streetscape Creates a functional OS Consistent with the existing townhomes south on Maria Ln Allows useable open space in the required front yards, instead of the garages facing the street and useable open space located in the back.

Permit#	Project Address	Project Description	Lot Size	Provided UOS	Reason for UOS Deviation
Projects in R-4 Zoning Districts					
2008-1245	660 S Fair Oaks Avenue	SDP: 124 Senior housing units with underground parking (included rezoning to R-4/PD from R-4)	102,179 s.f. (2.34 acres)	170 s.f. (380 s.f. minimum), and 59 s.f. private useable open space (80 s.f. minimum)	<ul style="list-style-type: none"> Primarily one-bedroom unit; no families allowed to reside Two indoor community space area exceeding the minimum
2013-7112	620 E Maude Avenue	SDP: 117 unit affordable housing projects (Armory site)	99,489 s.f. (2.28 acres)	336 s.f. (380 s.f. minimum) – required front yards and private useable open space combined	<ul style="list-style-type: none"> State Density Bonus concession Proximity to a public park
2015-7772	460 Persian Drive	SDP: 66 unit affordable rental apartment building	57,645 s.f. (1.32 acres)	205 s.f. (380 s.f. minimum)	<ul style="list-style-type: none"> State Density Bonus concession Meets the minimum landscaped area Private useable open space access Active community space included Required community room exceeds the minimum Proximity to a public park
2016-8065	1139 Karlstad Drive	SDP: 250 unit residential apartment building with podium parking	216,675 s.f. (4.97 acres)	326 s.f. (380 s.f. minimum)	<ul style="list-style-type: none"> State Density Bonus concession Total landscaped area exceeds minimum Private useable open space access Substantial active community space within and outside the building Required community room exceeds the minimum

Open Space and UOS Regulations from Other Jurisdictions

City	Useable Open Space in Required Front Yards?	Notes on Useable Open Space
Cities with Specific Useable Open Space Regulations		
Palo Alto	Maybe	<ul style="list-style-type: none"> • Location at the Architectural Review Board's discretion • Design criteria for open space and useable open space
Redwood City	No	<ul style="list-style-type: none"> • Allowed in required side and rear yards • Not allowed in required parking areas and their driveways
Cities without Specific Useable Open Space Regulations		
Mountain View	Yes	<ul style="list-style-type: none"> • No specific requirements for Useable Open Space • Has Private Open Space requirement for certain zoning districts
Santa Clara	N/A	<ul style="list-style-type: none"> • No specific requirements for Useable Open Space • Allows open landscaped areas in the required front yards

PUBLIC HEARINGS/GENERAL BUSINESS

2. [18-0724](#) Consideration of Useable Open Space in Required Front Yards:
Forward a Recommendation to the City Council to Introduce an Ordinance to Amend Section 19.37.100 (Usable Open Space Design Requirements) of Chapter 19.37 (Landscaping, Irrigation and Useable Open Space) and Section 19.12.160 ("O") of Chapter 19.12 (Definitions) of the Sunnyvale Municipal Code, and Find that the Action is Exempt from CEQA Pursuant to CEQA Guidelines Section 15061(b)(3). (Study Issue)

Associate Planner Kelly Cha presented the staff report.

Vice Chair Simons asked staff if allowing up to 50% of the required front yard to

count toward the useable open space (UOS) requirement would limit the available space for large species trees. Associate Planner Cha explained that proposed projects would still have to meet the UOS dimensional requirements. Assistant Director Andrew Miner advised that changes to the UOS ordinance would not take precedence over the Planning Commission's ability to add landscaping requirements. Vice Chair Simons asked staff about including a landscaping recommendation for the benefit of the neighborhood. Senior Assistant City Attorney Rebecca Moon advised that the ordinance could be modified to capture this intent. Vice Chair Simons provided additional background about his intended recommendation.

Commissioner Olevson asked staff how the front yard would be practically divided to allow 50% to count towards the UOS. Assistant Director Miner stated that the UOS would have to be provided in the form of seating, a fenced area, or patios that would be available for use by the tenants or property owners. Assistant Director Miner stated that staff's intention is not to just divide the proportion of the front yard in half and that UOS, not only open space, would be required.

Commissioner Rheume noted his concern regarding less potential landscaping space in the front yard and the impact on the sense of place and curb appeal. Commissioner Rheume asked staff how site plans incorporate utilities. Assistant Director Miner stated that for most projects utilities are in the right-of-way and that the setback is greater than the sidewalk area to accommodate the utilities. Assistant Director Miner advised that utilities are handled as part of the Design Review process with oversight from the Department of Public Works (DPW).

Commissioner Howe asked staff how the updated ordinance would impact the ability to include large species trees in the front yard. Assistant Director Miner advised that it would not have an effect because at maximum, 50% of the required front yard could count towards the UOS requirement and large species trees require strategic placement. Assistant Director Miner commented that if an applicant requested a deviation or variance for the front setback than per the staff recommendation UOS would not be a permitted use in the required front yard.

Commissioner Howe commented on Palo Alto's use of an Architectural Review Board and asked staff how that affects approvals for UOS. Commissioner Howe asked staff how landscaping would be handled at a staff level if the UOS changes are implemented. Assistant Director Miner commented that staff can't speak to Palo Alto's process but that there is no required landscaping for staff-level reviewed

single-family home so the staff level process should not be impacted by any UOS ordinance changes.

Commissioner Harrison asked staff about the rationale for including the R-4 and R-5 zoning districts in the proposed draft ordinance. Assistant Director Miner advised that staff felt it was appropriate to address these zoning districts together and that UOS requirements apply to R-4 and R-5 developments. Assistant Director Miner commented on the increase in larger, higher density projects and the likelihood that UOS will increasingly become a factor in the development of these projects.

Commissioner Harrison commented on the existing UOS minimum area requirement of 200 square feet and on the potential to have the UOS divided into unusable components. Assistant Director Miner stated that the goal is to provide UOS design flexibility to benefit future owners, tenants and the community with oversight from staff and Planning Commission to ensure appropriate development. Commissioner Harrison stated that this may complicate the process even though staff is trying to provide clear guidelines. Assistant Director Miner discussed the merits of the staff recommended approach and noted that the Planning Commission could leave the ordinance as it exists.

Chair Howard opened the Public Hearing.

There were no public speakers for this item.

Chair Howard closed the Public Hearing.

Vice Chair Simons asked staff if the Planning Commission can make a motion that includes a recommendation where the specific language will be developed by Planning staff and the Office of the City Attorney (OCA) before the item is heard by the City Council. Senior Assistant City Attorney Moon commented that the Planning Commission can recommend adoption of the ordinance subject to the addition of that language.

MOTION: Vice Chair Simons moved and Commissioner Howe seconded the motion for Alternative 1 – Introduce an Ordinance to Amend Chapter 19.37 (Landscaping, Irrigation and Useable Open Space), including but not limited to (a) Medium, high and very high density multi-family residential zoning districts (R-3, R-4 and R-5), (b) Up to 50% of the required front yard may be counted toward the useable open space requirement, (c) Useable open space in the required front yard would not be

a permitted use for a project with a front yard setback deviation or Variance, and Section 19.12.160 ("O") of Chapter 19.12 (Definitions) of the Sunnyvale Municipal Code (Attachment 3 to this report), and Find that the Action is Exempt from CEQA Pursuant to CEQA Guidelines Section 15061(b)(3) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

Vice Chair Simons included a recommendation with the motion that the updated ordinance should not negate the need for genetically significantly sized trees to be implemented as needed to ensure the provision of an appropriate sense of place, pedestrian shading and/or noise reduction. Vice Chair Simons commented that the scale of landscaping should be proportionate to the size of the development and that staff will develop the final wording for this recommendation.

Commissioner Harrison stated that she will not be supporting the motion because it complicates the process and this change would add requirements to an uncommon problem.

Commissioner Weiss stated that she will not be supporting the motion and would prefer to leave the ordinance as it exists. Commissioner Weiss commented that this is not a pressing issue and that a change to an ordinance should address the majority of instances. Commissioner Weiss requested that one spelling of useable be used in the staff report before the City Council hearing for this item.

Vice Chair Simons commented on his understanding of the reasons not to support the motion but stated an opinion that over the long term the bigger issue would be an inadequate amount of landscaping for the density of development. Vice Chair Simons stated that this will be the first time a recommendation associates the scale of landscaping with the density of developments. Vice Chair Simons commented on the size of upcoming developments, the difficulty of procuring appropriately matched landscaping and the impact of landscaping on the look and feel of the City.

Commissioner Rheume noted his agreement that the recommended changes to the ordinance will complicate the process but stated that he will be supporting the motion. Commissioner Rheume commented on the need for landscaping that is scaled to the size of developments and the increase of higher density, larger projects within the City.

The motion carried by the following vote:

Planning Commission

Meeting Minutes - Final

January 14, 2019

- Yes:** 5 - Chair Howard
Commissioner Howe
Commissioner Olevson
Vice Chair Simons
Commissioner Rheaume
- No:** 2 - Commissioner Weiss
Commissioner Harrison

Assistant Director Miner stated that this item and Planning Commission recommendation goes to the City Council on February 26, 2019.



City of Sunnyvale

Agenda Item

19-0188

Agenda Date: 2/26/2019

Tentative Council Meeting Agenda Calendar



City of Sunnyvale

Tentative Council Meeting Agenda Calendar

Tuesday, March 5, 2019 - City Council

Study Session

- 19-0186** 5:30 P.M. SPECIAL COUNCIL MEETING (Study Session)
Update on Downtown Specific Plan Amendment

Special Order of the Day

- 19-0014** SPECIAL ORDER OF THE DAY - Ceremonial Oath of Office for Board and
Commission Members
- 19-0286** SPECIAL ORDER OF THE DAY - Women's History Month
- 19-0287** SPECIAL ORDER OF THE DAY - Arbor Day Celebration and Proclamation

Public Hearings/General Business

- 19-0147** Approve the 2018 Annual Progress Report on Implementation of the General
Plan Housing Element
- 19-0091** Award of Bid No. PW19-06 to Redgwick Construction Company for the
Maude Avenue Bikeway and Streetscapes Re-Bid, Finding of California
Environmental Quality Act (CEQA) Categorical Exemption, Approve Budget
Modification No. 20 in the Amount of \$222,865, and Approve an Increase to
the Contingency for Design Services with Kimley-Horn and Associates
(F16-108)

Thursday, March 7, 2019 - City Council

Public Hearings/General Business

- 18-1019** 8:30 A.M. SPECIAL COUNCIL MEETING
Study/Budget Issues Workshop

Tuesday, March 19, 2019 - City Council

Closed Session

- 19-0268** 5:00 P.M. SPECIAL COUNCIL MEETING (Closed Session)
Closed Session held pursuant to California Government Code Section
54957.6:
CONFERENCE WITH LABOR NEGOTIATORS
Agency designated representatives: Tina Murphy, Director of Human

Resources; Kent Steffens, City Manager
Employee organization: Sunnyvale Managers Association (SMA) and
Sunnyvale Employees Association (SEA)

Study Session

19-0121 6:00 P.M. SPECIAL COUNCIL MEETING (Study Session)
The Structure and Function of the Subcommittee titled "Discussion of the
Council Subcommittee to Discuss Items of Mutual Interests with Local School
Districts"

Special Order of the Day

19-0288 6:45 P.M. SPECIAL COUNCIL MEETING
SPECIAL ORDER OF THE DAY - Recognition of Synopsis Science Fair
Championship Winners

Public Hearings/General Business

19-0267 Introduce an Ordinance Adding Chapter 1.07 (Administrative Subpoena) of
the Sunnyvale Municipal Code authorizing city staff to issue administrative
subpoenas in connection with code enforcement investigations.

19-0293 Approve Updates to Council Policy 7.1.1 in Council Policy Manual Chapter 7,
Section 1 - Fiscal Policies and Long Range Goals

Tuesday, March 26, 2019 - City Council

Study Session

19-0262 6:00 P.M. SPECIAL MEETING (Study Session)
Climate Action Plan 2.0

Public Hearings/General Business

19-0096 Agenda Items Pending - to be scheduled

Tuesday, April 9, 2019 - City Council

Closed Session

19-0269 6:00 P.M. SPECIAL COUNCIL MEETING (Closed Session)
Closed Session held pursuant to California Government Code Section
54957.6:
CONFERENCE WITH LABOR NEGOTIATORS
Agency designated representatives: Tina Murphy, Director of Human
Resources; Kent Steffens, City Manager
Employee organization: Sunnyvale Managers Association (SMA) and
Sunnyvale Employees Association (SEA)

Special Order of the Day

19-0223 SPECIAL ORDER OF THE DAY - Fair Housing Month

19-0289 SPECIAL ORDER OF THE DAY - National Library Week

Public Hearings/General Business

19-0222 Moffett Park Specific Plan Amendment Work Plan

Tuesday, April 23, 2019 - City Council

Closed Session

19-0270 6:00 P.M. SPECIAL COUNCIL MEETING (Closed Session)
Closed Session held pursuant to California Government Code Section 54957.6:
CONFERENCE WITH LABOR NEGOTIATORS
Agency designated representatives: Tina Murphy, Director of Human Resources; Kent Steffens, City Manager
Employee organization: Sunnyvale Managers Association (SMA) and Sunnyvale Employees Association (SEA)

Public Hearings/General Business

19-0200 Proposed Project: Related applications on a 34.7-acre site:
REZONE: Introduction of an Ordinance to rezone the site from Industrial Service/Industrial-to-Residential Medium Density Zoning District (MS/ITRR3) to Industrial Serve/Industrial-to-Residential High Density Zoning District (MS/ITRR4) Zoning District and to Public Facility (PF)
SPECIAL DEVELOPMENT PERMIT: for site and architectural review for a 34.7-acre site to develop 1,051 residential units including 944 apartment units with 6 percent of the units to be reserved for very low-income households (45 units), development of up to 107 three-story, townhome-style dwellings with 12.5 percent affordable units in accordance with the City's Below Market Rate Program (13.38 units), and dedication of a 6.5-acre public park, extension of Indian Wells Avenue to the east to connect with the Duane Avenue/Stewart Drive Intersection and including requests to deviate providing a community room for the townhomes, reductions in private usable open space requirements by reducing or eliminating required balconies, and from front yard setbacks on Indian Wells Avenue and Stewart Drive.
VESTING TENTATIVE MAP: To subdivide two lots into six lots with a condominium map to allow 107 townhomes lots with a common lot.

Location: 1 AMD Place (APNs: 205-22-024, 205-22-025), 975 Stewart Drive (205-22-028)

File #: 2016-8035

Zoning: Industrial Service/Industrial-to-Residential Medium Density Zoning

District (MS/ITRR3) and Industrial Serve/Industrial-to-Residential High Density
Zoning District (MS/ITRR4) Zoning District
Applicant / Owner: Irvine Company (applicant /owner)
Environmental Review: Environmental Impact Report (EIR)
Project Planner: Gerri Caruso, (408) 730-7591, gcaruso@sunnyvale.ca.gov

19-0208

CONTINUED FROM JANUARY 29, 2019.

Proposed Project: Appeal by the Applicant of a decision by the Planning
Commission to deny:

PEERY PARK SPECIFIC PLAN CONDITIONAL USE PERMIT: to consider a
high school for 400 students (Summit School). The project includes interior
and exterior improvements of an existing industrial building for an educational
use, the installation of a tri-level mechanical lift parking structure in the rear
serving 22 parking spaces, and a request for adjustment to the minimum
parking requirements.

Location: 824 San Aleso Avenue (APN: 204-02-006)

File #: 2017-7986

Zoning: PPSP-NT - Peery Park Specific Plan - Neighborhood Transition

Applicant / Owner: Artik Art & Architecture (applicant) / 824 San Aleso, LLC
(owner)

Environmental Review: The project is exempt from additional CEQA review
per CEQA Guidelines section 15168(c)(2) and (4) and Public Resources
Code Section 21094(c). The project is within the scope of the Peery Park
Specific Plan Program EIR as no new environmental impacts are anticipated
and no new mitigation measures are required.

Project Planner: Momoko Ishijima, (408) 730-7532,
mishijima@sunnyvale.ca.gov

Tuesday, May 7, 2019 - City Council

Special Order of the Day

19-0198

6 P.M. SPECIAL COUNCIL MEETING
SPECIAL ORDER OF THE DAY - 2019 Earth Day Video and Poster Contest
Winners

19-0199

SPECIAL ORDER OF THE DAY - Recognition of Green Businesses

19-0312

SPECIAL ORDER OF THE DAY - Teen Awareness Month

19-0313

SPECIAL ORDER OF THE DAY - Older Americans Month

Public Hearings/General Business

19-0172

Green Building Program Update

19-0220

Public Hearing and Adoption of Resolution to Confirm the Annual Report and
Levy and Collect an Annual Assessment for the Downtown Sunnyvale

Business Improvement District (BID) for Fiscal Year 2019/2020

19-0224 Consider Draft 2019 Housing and Urban Development (HUD) Action Plan

Tuesday, May 14, 2019 - City Council

Study Session

19-0101 6 P.M. SPECIAL COUNCIL MEETING ONLY (Study Session)
Board and Commission Interviews

Wednesday, May 15, 2019 - City Council

Study Session

19-0102 6 P.M. SPECIAL COUNCIL MEETING ONLY (Study Session)
Board and Commission Interviews

Tuesday, May 21, 2019 - City Council

Special Order of the Day

19-0093 6 P.M. SPECIAL COUNCIL MEETING
SPECIAL ORDER OF THE DAY - Department of Public Safety Special Awards

19-0294 SPECIAL ORDER OF THE DAY - National Public Works Week

19-0314 SPECIAL ORDER OF THE DAY - Municipal Clerks Week

Public Hearings/General Business

19-0125 2019 1st Quarterly Consideration of General Plan Amendment Initiation Requests

Thursday, May 23, 2019 - City Council

Public Hearings/General Business

19-0103 8:30 A.M. SPECIAL COUNCIL MEETING
Budget Workshop

Tuesday, June 11, 2019 - City Council

Closed Session

19-0271 6:00 P.M. SPECIAL COUNCIL MEETING (Closed Session)
Closed Session held pursuant to California Government Code Section 54957.6:
CONFERENCE WITH LABOR NEGOTIATORS
Agency designated representatives: Tina Murphy, Director of Human

Resources; Kent Steffens, City Manager
Employee organization: Sunnyvale Managers Association (SMA) and
Sunnyvale Employees Association (SEA)

Public Hearings/General Business

19-0039 Appoint Applicants to Boards and Commissions

Tuesday, June 18, 2019 - City Council

Closed Session

19-0273 6:00 P.M. SPECIAL COUNCIL MEETING (Closed Session)
Closed Session held pursuant to California Government Code Section
54957.6:
CONFERENCE WITH LABOR NEGOTIATORS
Agency designated representatives: Tina Murphy, Director of Human
Resources; Kent Steffens, City Manager
Employee organization: Sunnyvale Managers Association (SMA) and
Sunnyvale Employees Association (SEA)

Special Order of the Day

19-0075 SPECIAL ORDER OF THE DAY - Ceremonial Oath of Office for Board and
Commission Members

Public Hearings/General Business

19-0105 Agenda Items Pending - to be scheduled

Tuesday, June 25, 2019 - City Council

Closed Session

19-0274 6:00 P.M. SPECIAL COUNCIL MEETING (Closed Session)
Closed Session held pursuant to California Government Code Section
54957.6:
CONFERENCE WITH LABOR NEGOTIATORS
Agency designated representatives: Tina Murphy, Director of Human
Resources; Kent Steffens, City Manager
Employee organization: Sunnyvale Managers Association (SMA) and
Sunnyvale Employees Association (SEA)

Public Hearings/General Business

19-0106 Agenda Items Pending - to be scheduled

Tuesday, July 16, 2019 - City Council

Special Order of the Day

19-0315 SPECIAL ORDER OF THE DAY - Parks and Recreation Month

Public Hearings/General Business

19-0107 Agenda Items Pending - to be scheduled

Tuesday, July 30, 2019 - City Council

Public Hearings/General Business

19-0108 Agenda Items Pending - to be scheduled

Tuesday, August 13, 2019 - City Council

Public Hearings/General Business

19-0126 2019 2nd Quarterly Consideration of General Plan Amendment Initiation Requests

Tuesday, August 27, 2019 - City Council

Public Hearings/General Business

19-0230 Appoint Applicants to Boards and Commissions (as needed)

Tuesday, September 10, 2019 - City Council

Special Order of the Day

19-0316 SPECIAL ORDER OF THE DAY - Senior Initiative

Public Hearings/General Business

19-0232 SPECIAL ORDER OF THE DAY - Ceremonial Oath of Office for Board and Commission Members (as needed)

Tuesday, September 24, 2019 - City Council

Public Hearings/General Business

19-0112 Agenda Items Pending - to be scheduled

Tuesday, October 8, 2019 - City Council

Special Order of the Day

19-0317 SPECIAL ORDER OF THE DAY - Arts and Humanities Month

Public Hearings/General Business

19-0113 Agenda Items Pending - to be scheduled

Tuesday, October 29, 2019 - City Council

Public Hearings/General Business

19-0114 Agenda Items Pending - to be scheduled

Tuesday, November 5, 2019 - City Council

Public Hearings/General Business

19-0228 6 P.M. SPECIAL COUNCIL MEETING (Study Session)
Board and Commission Interviews (as needed)

Tuesday, November 12, 2019 - City Council

Public Hearings/General Business

19-0127 2019 3rd Quarterly Consideration of General Plan Amendment Initiation
Requests

Tuesday, December 3, 2019 - City Council

Public Hearings/General Business

19-0231 Appoint Applicants to Boards and Commissions (as needed)

Tuesday, December 10, 2019 - City Council

Study Session

19-0234 6 P.M. SPECIAL COUNCIL MEETING (Study Session)
Discussion of Upcoming Selection of Vice Mayor for 2020

Public Hearings/General Business

19-0233 SPECIAL ORDER OF THE DAY - Ceremonial Oath of Office for Board and
Commission Members (as needed)

19-0247 Adopt a Resolution Approving the City Council Regular Meeting Calendar for
2020 through February 2021

Tuesday, January 7, 2020 - City Council

Public Hearings/General Business

19-0119 Agenda Items Pending - to be scheduled

Tuesday, January 14, 2020 - City Council

Public Hearings/General Business

19-0120 Agenda Items Pending - to be scheduled

Thursday, January 30, 2020 - City Council

Public Hearings/General Business

19-0123 8:30 A.M. SPECIAL COUNCIL MEETING
Strategic Session - Policy Prioritization Workshop
Location: TBD

Tuesday, February 4, 2020 - City Council

Public Hearings/General Business

19-0128 2019 4th Quarterly Consideration of General Plan Amendment Initiation
Requests

19-0229 6 P.M. SPECIAL COUNCIL MEETING (Study Session)
Board and Commission Interviews (as needed)

Tuesday, February 25, 2020 - City Council

Public Hearings/General Business

19-0122 Agenda Items Pending - to be scheduled

Thursday, February 27, 2020 - City Council

Public Hearings/General Business

19-0124 8:30 A.M. SPECIAL COUNCIL MEETING
Study/Budget Issues Workshop

Date to be Determined - City Council

Public Hearings/General Business

18-0289 Updates to the Murphy Station Heritage Landmark District Design Guidelines

18-0416 Eco-district Feasibility and Incentives (Study Issue ESD 13-05C)

18-0653 Approve the Bernardo Avenue Undercrossing Design Options and Selection
of a Preferred Design Alternative



City of Sunnyvale

Agenda Item

19-0189

Agenda Date: 2/26/2019

Information/Action Items

Information/Action Items - Council Directions to Staff

Date	Directive/Action Required	Dept	Due Date	Completed
5/8/18	Provide information report to Council on the findings when the speed survey for Caribbean is complete.	DPW	Feb 2019	
5/8/18	Update Council Policy 7.1.1 – Fiscal – Long Range Goals and Financial Policies and bring back for Council adoption.	FIN	3/5/19	
5/25/18	Bring back the sales tax chart by City when the Council considers the El Camino Real Precise Plan update	CDD	Fall 2019	
7/17/18	Staff to work with the Chamber of Commerce in gathering information or making a recommendation on what options may be available to the hotels to encourage occupancy on the weekend.	OCM	Mar 2019	
8/28/18	Staff to provide quarterly updates to Council on ERP implementation progress	OCM	Apr 2019	
12/18/18	Conduct a special audit of the Capital Improvement Project reserves and bring findings back	FIN	May 2019	

New Study/Budget Issues Sponsored by Council

Date Requested	Study Issue Topic	Requested By	Dept	Approved by City Manager
1/15/19	Explore Strategies to Promote Cultural Inclusion in City Programs and Services	Fong , Goldman, Melton and Klein	LCS	
1/15/19	(Budget Issue) Escalate elimination of all City signage with the old City logo and the brick monuments on major entrances into the City.	Melton , Goldman	DPW	
2/5/19	Develop lighting ordinance (Dark Sky/Lights out) to address artificial light and its impact.	Smith , Melton, Fong, Goldman, Klein	DPW	
2/5/19	(Budget Issue) Increase the service level pertaining to City advocacy in Washington, Sacramento and regional basis.	Melton , Klein, Smith	OCM	
2/7/19	Study adding diversity and inclusion into the General Plan, by amending Chapter 2, C.V. 1.4 to ensure all components of the City operations attempt to address diversity in the City of Sunnyvale.	Fong , Melton	CDD	
2/7/19	Develop a Workforce Initiative That Creates Partnerships to Develop a Pipeline for Students to Enter Public Sector Employment	Fong , Klein	HRD	



City of Sunnyvale

Agenda Item

19-0190

Agenda Date: 2/26/2019

Board/Commission Meeting Minutes



City of Sunnyvale

Meeting Minutes - Final Planning Commission

Monday, January 14, 2019

7:00 PM

Council Chambers and West Conference
Room, City Hall, 456 W. Olive Ave.,
Sunnyvale, CA 94086

Study Session Cancelled | Special Meeting - Public Hearing 7 PM

STUDY SESSION CANCELLED

7 P.M. PLANNING COMMISSION MEETING

CALL TO ORDER

Chair Howard called the meeting to order at 7:00 PM in the Council Chambers.

SALUTE TO THE FLAG

Chair Howard led the salute to the flag.

ROLL CALL

Present: 7 - Commissioner Carol Weiss
Chair Daniel Howard
Commissioner John Howe
Commissioner Ken Olevson
Vice Chair David Simons
Commissioner Ken Rheaume
Commissioner Sue Harrison

ORAL COMMUNICATIONS

Maria Hamilton, Sunnyvale resident, presented her concerns regarding the development at 669 and 673 Old San Francisco Road.

CONSENT CALENDAR

Commissioner Howe moved and Vice Chair Simons seconded the motion to approve the Consent Calendar. The motion carried by the following vote:

Yes: 7 - Commissioner Weiss
Chair Howard
Commissioner Howe
Commissioner Olevson
Vice Chair Simons
Commissioner Rheume
Commissioner Harrison

No: 0

- 1. A** [18-1096](#) Approve Planning Commission Meeting Minutes of November 26, 2018
- 1. B** [19-0022](#) Approve Planning Commission Meeting Minutes of December 10, 2018
- 1. C** [19-0073](#) REQUEST FOR CONTINUANCE TO JANUARY 28, 2019
Proposed Project: Related applications on a 3.54-acre site:
**PEERY PARK PLAN REVIEW PERMIT AND TENTATIVE
PARCEL MAP:** to redevelop three sites into an office
development consisting of a new 121,719 square foot, four-story
office building with a 4.5-level parking structure and associated
site work and landscaping. The project will result in 80% FAR.
File #: 2018-7432
Location: 275 N Mathilda Ave (APN: 165-27-007 165-27-008
165-27-009)
Applicant/Owner: Irvine Company
Environmental Review: No additional review required as per CEQA
Guidelines 15168(c)(2) and (4) - Peery Park Specific Plan Program
Environmental Impact Report (EIR).
Staff Contact: Margaret Netto, (408) 730-7628,
mnetto@sunnyvale.ca.gov

PUBLIC HEARINGS/GENERAL BUSINESS

- 2.** [18-0724](#) Consideration of Useable Open Space in Required Front Yards:
Forward a Recommendation to the City Council to Introduce an
Ordinance to Amend Section 19.37.100 (Usable Open Space Design
Requirements) of Chapter 19.37 (Landscaping, Irrigation and Useable
Open Space) and Section 19.12.160 ("O") of Chapter 19.12 (Definitions)
of the Sunnyvale Municipal Code, and Find that the Action is Exempt
from CEQA Pursuant to CEQA Guidelines Section 15061(b)(3). (Study
Issue)

Associate Planner Kelly Cha presented the staff report.

Vice Chair Simons asked staff if allowing up to 50% of the required front yard to

count toward the useable open space (UOS) requirement would limit the available space for large species trees. Associate Planner Cha explained that proposed projects would still have to meet the UOS dimensional requirements. Assistant Director Andrew Miner advised that changes to the UOS ordinance would not take precedence over the Planning Commission's ability to add landscaping requirements. Vice Chair Simons asked staff about including a landscaping recommendation for the benefit of the neighborhood. Senior Assistant City Attorney Rebecca Moon advised that the ordinance could be modified to capture this intent. Vice Chair Simons provided additional background about his intended recommendation.

Commissioner Olevson asked staff how the front yard would be practically divided to allow 50% to count towards the UOS. Assistant Director Miner stated that the UOS would have to be provided in the form of seating, a fenced area, or patios that would be available for use by the tenants or property owners. Assistant Director Miner stated that staff's intention is not to just divide the proportion of the front yard in half and that UOS, not only open space, would be required.

Commissioner Rheume noted his concern regarding less potential landscaping space in the front yard and the impact on the sense of place and curb appeal. Commissioner Rheume asked staff how site plans incorporate utilities. Assistant Director Miner stated that for most projects utilities are in the right-of-way and that the setback is greater than the sidewalk area to accommodate the utilities. Assistant Director Miner advised that utilities are handled as part of the Design Review process with oversight from the Department of Public Works (DPW).

Commissioner Howe asked staff how the updated ordinance would impact the ability to include large species trees in the front yard. Assistant Director Miner advised that it would not have an effect because at maximum, 50% of the required front yard could count towards the UOS requirement and large species trees require strategic placement. Assistant Director Miner commented that if an applicant requested a deviation or variance for the front setback than per the staff recommendation UOS would not be a permitted use in the required front yard.

Commissioner Howe commented on Palo Alto's use of an Architectural Review Board and asked staff how that affects approvals for UOS. Commissioner Howe asked staff how landscaping would be handled at a staff level if the UOS changes are implemented. Assistant Director Miner commented that staff can't speak to Palo Alto's process but that there is no required landscaping for staff-level reviewed

single-family home so the staff level process should not be impacted by any UOS ordinance changes.

Commissioner Harrison asked staff about the rationale for including the R-4 and R-5 zoning districts in the proposed draft ordinance. Assistant Director Miner advised that staff felt it was appropriate to address these zoning districts together and that UOS requirements apply to R-4 and R-5 developments. Assistant Director Miner commented on the increase in larger, higher density projects and the likelihood that UOS will increasingly become a factor in the development of these projects.

Commissioner Harrison commented on the existing UOS minimum area requirement of 200 square feet and on the potential to have the UOS divided into unusable components. Assistant Director Miner stated that the goal is to provide UOS design flexibility to benefit future owners, tenants and the community with oversight from staff and Planning Commission to ensure appropriate development. Commissioner Harrison stated that this may complicate the process even though staff is trying to provide clear guidelines. Assistant Director Miner discussed the merits of the staff recommended approach and noted that the Planning Commission could leave the ordinance as it exists.

Chair Howard opened the Public Hearing.

There were no public speakers for this item.

Chair Howard closed the Public Hearing.

Vice Chair Simons asked staff if the Planning Commission can make a motion that includes a recommendation where the specific language will be developed by Planning staff and the Office of the City Attorney (OCA) before the item is heard by the City Council. Senior Assistant City Attorney Moon commented that the Planning Commission can recommend adoption of the ordinance subject to the addition of that language.

MOTION: Vice Chair Simons moved and Commissioner Howe seconded the motion for Alternative 1 – Introduce an Ordinance to Amend Chapter 19.37 (Landscaping, Irrigation and Useable Open Space), including but not limited to (a) Medium, high and very high density multi-family residential zoning districts (R-3, R-4 and R-5), (b) Up to 50% of the required front yard may be counted toward the useable open space requirement, (c) Useable open space in the required front yard would not be

a permitted use for a project with a front yard setback deviation or Variance, and Section 19.12.160 ("O") of Chapter 19.12 (Definitions) of the Sunnyvale Municipal Code (Attachment 3 to this report), and Find that the Action is Exempt from CEQA Pursuant to CEQA Guidelines Section 15061(b)(3) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

Vice Chair Simons included a recommendation with the motion that the updated ordinance should not negate the need for genetically significantly sized trees to be implemented as needed to ensure the provision of an appropriate sense of place, pedestrian shading and/or noise reduction. Vice Chair Simons commented that the scale of landscaping should be proportionate to the size of the development and that staff will develop the final wording for this recommendation.

Commissioner Harrison stated that she will not be supporting the motion because it complicates the process and this change would add requirements to an uncommon problem.

Commissioner Weiss stated that she will not be supporting the motion and would prefer to leave the ordinance as it exists. Commissioner Weiss commented that this is not a pressing issue and that a change to an ordinance should address the majority of instances. Commissioner Weiss requested that one spelling of useable be used in the staff report before the City Council hearing for this item.

Vice Chair Simons commented on his understanding of the reasons not to support the motion but stated an opinion that over the long term the bigger issue would be an inadequate amount of landscaping for the density of development. Vice Chair Simons stated that this will be the first time a recommendation associates the scale of landscaping with the density of developments. Vice Chair Simons commented on the size of upcoming developments, the difficulty of procuring appropriately matched landscaping and the impact of landscaping on the look and feel of the City.

Commissioner Rheume noted his agreement that the recommended changes to the ordinance will complicate the process but stated that he will be supporting the motion. Commissioner Rheume commented on the need for landscaping that is scaled to the size of developments and the increase of higher density, larger projects within the City.

The motion carried by the following vote:

- Yes: 5 -** Chair Howard
Commissioner Howe
Commissioner Olevson
Vice Chair Simons
Commissioner Rheaume
- No: 2 -** Commissioner Weiss
Commissioner Harrison

Assistant Director Miner stated that this item and Planning Commission recommendation goes to the City Council on February 26, 2019.

STANDING ITEM: CONSIDERATION OF POTENTIAL STUDY ISSUES

Commissioner Weiss asked staff about changing Chapters Three and Four of the General Plan to utilize objective standards and be compliant with California's Housing Accountability Act. Assistant Director Miner stated that staff is aware of this concern but that the General Plan is not as specific as the Zoning code or City guidelines. Assistant Director Miner advised that objective standards will be included for residential uses with the updated El Camino Real Corridor Specific Plan (ECR Plan) and that the Planning Commission will be able to see how staff addresses those standards when the ECR Plan is scheduled for a Planning Commission hearing.

Commissioner Harrison asked staff about the most logical location for a City landscaping guideline, specifically with respect to trees, that outlines landscaping in proportion to the size of a development. Assistant Director Miner stated that this could be incorporated in the City's Specific and Precise Plans and guidelines so that it is uniformly added to all relevant documentation. Commissioner Harrison proposed a study issue to analyze how to best incorporate a City guideline regarding proportionate landscaping. Assistant Director Miner stated that staff will return to the Planning Commission with a write up of a draft study issue.

Commissioner Harrison asked staff about the withdrawal of the Design Review application at 1498 Norman Drive. Assistant Director Miner stated that staff is not certain about the applicant's plans but that they may start over with a new application.

NON-AGENDA ITEMS AND COMMENTS

-Commissioner Comments

Commissioner Weiss presented information about an upcoming book talk on January 24th at Books Inc. in Mountain View regarding author Randy Shaw's book – "Generation Priced Out: Who Gets to Live in the New Urban America".

Chair Howard shared information regarding the difference between the City's traditional practice for friendly amendments and the Sturgis guide to parliamentary procedure.

-Staff Comments

Assistant Director Miner stated that the annual public hearing discussion of potential study and budget issues will be heard tomorrow night at the January 15, 2019 City Council meeting.

ADJOURNMENT

Chair Howard adjourned the meeting at 7:54 PM.



City of Sunnyvale

Meeting Minutes - Final Planning Commission

Monday, January 28, 2019

5:00 PM

Library Program Room, Council
Chambers, West Conference Room, City
Hall, 456 W. Olive Ave., Sunnyvale, CA
94086

Special Meeting - Study Session - 5:00 PM | Special Meeting - Public Hearing 7 PM

5:00 P.M. STUDY SESSION

Call to Order in the Library Program Room

Roll Call

Study Session

- A. [19-0175](#) Downtown Projects and Process Overview
 Project Planners:
 Michelle King, (408) 730-7463, mking@sunnyvale.ca.gov
 David Hogan, (408) 730-7444, dhogan@sunnyvale.ca.gov

Public Comment on Study Session Agenda Items

Adjourn Study Session

7 P.M. PLANNING COMMISSION MEETING

CALL TO ORDER

Chair Howard called the meeting to order at 7:00 PM in the Council Chambers.

SALUTE TO THE FLAG

Chair Howard led the salute to the flag.

ROLL CALL

Present: 6 - Commissioner Carol Weiss
Chair Daniel Howard
Commissioner John Howe
Vice Chair David Simons
Commissioner Ken Rheaume
Commissioner Sue Harrison
Absent: 1 - Commissioner Ken Olevson

Status of absence; Commissioner Olevson's absence is excused.

ORAL COMMUNICATIONS

CONSENT CALENDAR

Commissioner Howe moved and Vice Chair Simons seconded the motion to approve the Consent Calendar. The motion carried by the following vote:

Yes: 6 - Commissioner Weiss
Chair Howard
Commissioner Howe
Vice Chair Simons
Commissioner Rheaume
Commissioner Harrison

No: 0

Absent: 1 - Commissioner Olevson

1. A [19-0176](#) Approve Planning Commission Meeting Minutes of January 14, 2019

PUBLIC HEARINGS/GENERAL BUSINESS

2. [19-0047](#) **Proposed Project:** Related applications on a 3.54-acre site:
 PEERY PARK PLAN REVIEW PERMIT AND VESTING
 TENTATIVE PARCEL MAP: to redevelop three sites into an
 office development consisting of a new 123,000 square foot,
 four-story office building with a 4.5-level parking structure and
 associated site work and landscaping. The project will result in
 80% FAR.
 Location: 275 N. Mathilda Avenue (APNs: 165-27-007, 008, 009)
 File #: 2018-7432
 Zoning: Peery Park Specific Plan - Innovation Edge and Mixed Industry
 Core

Applicant/Owner: Irvine Company

Environmental Review: The project is exempt from CEQA review per CEQA Guidelines Section 15168 (c)(2) and (4) Public Resources Code Section 21094 (c). The project is within the scope of the Peery Park Specific Plan Program EIR as no new environmental impacts are anticipated and no new mitigations are required.

Project Planner: Margaret Netto, (408) 730-7628, mnetto@sunnyvale.ca.gov

Contract Planner Margaret Netto presented the staff report.

Commissioner Weiss asked staff if the proposed project calculations assume that a majority of the employees who would work at the site would use public transportation. Contract Planner Netto stated that the project calculations are based on net new trips and that the calculations were derived from a traffic analysis that was prepared for the proposed project.

Commissioner Weiss stated that the parking garage appears taller than the main building in the proposed project plans and asked staff if the garage is subordinate in height to the main building as required in the Peery Park Specific Plan. Assistant Director Andrew Miner stated that the term subordinate refers to the height of a structure and its location on a given property and that the garage is subordinate in location in this instance as it is behind the main building. Contract Planner Netto further clarified that the highest point of the garage is 57 feet and the highest point of the main building is 65 feet.

Commissioner Rheume asked staff if the property extending down to Central Expressway would be entirely landscaped. Assistant Director Miner stated that most of the trees along the Central Expressway are on County of Santa Clara property and that they will remain there.

Commissioner Rheume asked staff about street lights shown in the applicant plans. Assistant Director Miner stated that the Peery Park sense of place guidelines dictate the type of lights to be installed.

Vice Chair Simons asked staff what the recommendation was at the Study Session for integration of the orange accent color into the proposed project. Vice Chair Simons asked if the color was integrated into the main building at that time as it is now absent from the current plans. Contract Planner Netto added that the color was part of the signage at the time of the study session.

Chair Howard opened the Public Hearing.

Carlene Matchniff, representing Irvine Company, thanked the Planning Commission and stated that the various proposed project experts are present.

Commissioner Weiss asked the applicant about the metal accent color above the parking garage that she had previously requested be incorporated into the main building. Ms. Matchniff introduced John Koga, representing Irvine Company, to address Commissioner Weiss's questions. Mr. Koga stated that the study session issue regarding color was about how consistently it would be used throughout the site and that the color would be minimally and tastefully used on the signage and at the canopy lines.

Commissioner Weiss confirmed with the applicant that the smoking patio will remain as part of the project.

Vice Chair Simons asked the applicant about adding color in locations at the building, such as the windows. Vice Chair Simons asked the applicant about the location of the planned art. Mr. Koga stated that the location of the art has not yet been determined and mentioned that there is a current proposal to add a sculpture to the Mathilda Avenue frontage.

Vice Chair Simons asked where else the color would be incorporated into the building. Mr. Koga stated that the color would be used on the underside of the south side entryway canopy.

Chair Howard closed the Public Hearing.

MOTION: Commissioner Rheume moved and Commissioner Howe seconded the motion for Alternative 1 - Make the required Findings to approve the California Environmental Quality Act (CEQA) determination that the project is within the scope of the Peery Park Specific Plan (PPSP) Environmental Impact Report (EIR) and no additional environmental review is required in Attachment 5; make the Findings for the Peery Park Plan Review Permit, Vesting Tentative Parcel Map , and Sense of Place Fee in Attachment 3; and approve the Peery Park Plan Review Permit and Vesting Tentative Parcel Map subject to the PPSP Mitigation Monitoring and Reporting Program in Attachment 6 and recommended conditions of approval noted in Attachment 4.

Commissioner Rheume stated that he can make the findings that the proposed project is within the scope of the PPSP EIR. Commissioner Rheume stated his opinion that it is a nice, clean proposed project that does not request any deviations and that it would be a good addition to the City.

Commissioner Howe stated that he can make the findings. Commissioner Howe stated that the proposed project would be an improvement for the area and added his support for the comments Commissioner Rheume provided.

FRIENDLY AMENDMENT: Vice Chair Simons offered a friendly amendment to suggest that the applicant integrate art in the building and greatly increase the number of native trees that meet low water requirements. Commissioner Rheume and Commissioner Howe accepted the friendly amendment.

Vice Chair Simons stated that an artistic focal point visible by pedestrians and vehicles would enhance the modern architecture.

Assistant Director Miner stated a correction in response to Vice Chair Simon's friendly amendment that the zoning code that refers to art in private development specifically states that the location of art should be on the building façade or on the exterior and not in the interior of the building. Vice Chair Simons stated that he is only making a recommendation.

Commissioner Weiss stated her intention to support the motion and added that she likes that there are no deviations requested and that there would be a food truck plaza with tables and chairs. Commissioner Weiss stated that the proposed project would encourage new businesses, different types of cuisine, and that it would bring people together.

The motion carried by the following vote:

Yes: 6 - Commissioner Weiss
Chair Howard
Commissioner Howe
Vice Chair Simons
Commissioner Rheume
Commissioner Harrison

No: 0

Absent: 1 - Commissioner Olevson

Assistant Director Miner stated that this decision is final unless appealed to the City Council within 15 days or called up the City Council within 15 days.

3. [18-1054](#) **Proposed Project:** Consideration of an application for a 6.4-acre site:
 MOFFETT PARK-SPECIAL DEVELOPMENT PERMIT: to
 allow expansion of an existing 173-room hotel through partial
 demolition and construction of a new 11-story tower resulting in a
 total of 358 rooms, new meeting areas, spa facility, restaurants
 and bars; and a new 3-level parking structure.
Location: 1100 N. Mathilda Ave. (APN:110-27-025)
File #: 2017-8044
Zoning: MP-C (Moffett Park - Commercial)
Applicant / Owner: DoveHill Capital Management LLC (applicant) / S
 of-X Sunnyvale Owner LP (owner)
Environmental Review: Mitigated Negative Declaration
Project Planner: Shétal Divatia, (408) 730-7637,
 sdivatia@sunnyvale.ca.gov

Senior Planner Shetal Divatia presented the staff report.

Commissioner Howe asked staff if the proposed project requires the use of any of the development reserve of the Moffett Park Specific Plan. Assistant Director Andrew Miner stated that hotels are not counted as part of the development reserve.

Commissioner Weiss asked staff if they have considered the effect of the 11-story tower on the nearby neighborhood's television reception. Assistant Director Miner stated that the City is not required to address this issue; it is government by the Federal Communications Commission.

Commissioner Weiss asked staff if they have studied the impact of vehicle emissions from nearby roads on guests of the hotel and if the HVAC units would filter out pollutants. Assistant Director Miner stated that the HVAC units must meet certain building and Title 24 standards but was unsure by how much the HVAC system would need to reduce air pollutants.

Commissioner Weiss asked staff what elements of the modern project are considered farmhouse style. Senior Planner Divatia stated that the proposed project has use elements of a modern farmhouse like a Napa setting and added that the applicant could better clarify the architectural style.

Commissioner Rheume expressed his concern to staff that the inspirational photos presented at the study session are not incorporated into the proposed project. Assistant Director Miner stated that the staff role is to ensure that the construction drawings represent what is built and that the applicant can better address how the architectural inspiration evolved.

Commissioner Rheume expressed his concern to staff that he cannot see the details of the smaller buildings part of the proposed project. Commissioner Rheume stated that he would like to see the barn lofts on page 43 and the barbershop and treatment room on page 44 depicted in the farmhouse style and that more details about the materials are needed. Commissioner Rheume stated that he wants more details about the batten board, the windows, and the materials planned for the multipurpose pavilion on page 45.

Vice Chair Simons asked staff if the installation of a landscaping strip is possible to separate vehicles from pedestrians on Mathilda Avenue. Senior Planner Divatia stated that on page 56 the standard requires a monolithic sidewalk on Mathilda Avenue and a landscaping strip on Borregas Avenue. Vice Chair Simons stated that the landscaping strip is better placed on Mathilda Avenue as Borregas Avenue will soon be more pedestrian friendly. Senior Planner Divatia confirmed that the project design includes a park strip along Mathilda Avenue.

Vice Chair Simons asked staff if estate sized trees could be added to the south side to help screen the 130 foot towers from residents south of Highway 237. Senior Planner Divatia stated that estate sized trees are a possibility that the applicant and landscape architect can address.

Vice Chair Simons asked staff what material is used for the wall along the Borregas Avenue side of the proposed project.

Chair Howard opened the Public Hearing.

Jake Wurzak, representing Dove Hill Capital Management, presented images and information about the proposed project.

Bruce Wright, representing SB Architects, presented images and information about the proposed project.

Chair Howard stated that the applicant provided handouts and a material board available for members of the public to review.

Vice Chair Simons asked the applicant about art work location. Vice Chair Simons also asked the applicant if the wall along the Moffett Park Drive side of the proposed project would be made of white stucco. Vice Chair Simons stated his opinion that the material appears out of place with the rest of the proposed project. Mr. Wright stated that the wall may appear to be white in the renderings and that a color more consistent with the palette of the proposed project would be used. Vice Chair Simons confirmed with the applicant that the Mathilda Avenue wall would be made of stone.

Vice Chair Simons asked the applicant about the possibility of including estate sized trees along the south side landscaping. Mr. Wurzak stated that the landscape architect has been directed to use trees that would create canopies wherever possible.

Commissioner Weiss asked the applicant if the proposed project would use permeable pavers.

Commissioner Weiss asked the applicant if the HVAC system would filter out polluted air from vehicle emissions in the surrounding area. Mr. Wright stated that he does not know the exact level of filtration and that the HVAC system must pass Title 24 and that the proposed project is following LEED building standards for air quality.

Commissioner Rheume asked the applicant where the wood slat would be used on the proposed project. Mr. Wright stated that the wood slat would be used on the parking garage and for the meeting space on top of the ballroom and that highly texturized bark would be used for the porte cochere. Mr. Wright stated that natural materials would be used as much as possible for the low scale buildings and reiterated that the project is a highly articulated architectural statement. Commissioner Rheume stated that he hopes that the materials used are as high in quality as stated in the proposed project designs. Mr. Wurzak stated that the hotel patrons demand such quality.

Commissioner Rheume asked the applicant if they have used trees on balconies in any other project. Mr. Wurzak stated that they have spent time ensuring that the trees would be properly supported and that the balconies would be constructed

such that the trees will grow and thrive.

Comissioner Rheaume asked the applicant if the windows would be constructed with sectioned panels. Mr. Wright stated that that design would be used on the 1- and 2-story buildings.

Commissioner Howe asked the applicant approximately how tall the tower would be from the sidewalk. Mr. Wright stated that the tower is approximately 130 feet tall from Mathilda Avenue and that the tower reduces in height by approximately 14 feet as the grade ascends. Mr. Wright stated that the building never appears to be its full height intentionally to break down the scale of the tower.

Commissioner Howe asked the applicant if there is a view available from the top of the occupied part of the building looking south into the residential neighborhood. Mr. Wright stated that the view provided on page 29 of the handout is from a guest room but not from the tallest portion of the building. Commissioner Howe asked the applicant for the distance between the guest room view on page 29 of the handout and the single-family homes. Mr. Wright stated that he did not know the distance. Assistant Director Miner stated that the distance is approximately 350 feet to 380 feet. Commissioner Howe asked staff if they foresee any privacy concerns for the single-family residences across Highway 237. Assistant Director Miner stated that he does not have any concerns as there are existing buildings closer to the single-family homes, and it is located across the freeway from the homes.

Chair Howard asked if there are any members of the public who wished to speak. Chair Howard asked the applicant if there is any further information they would like to provide.

Vice Chair Simons asked the applicant if the trees on the balconies would be approximately 15 feet to 25 feet tall and if bushes would be used. Mr. Wurzak stated that they intend to use mostly bushes and trees when no structure is above. Vice Chair Simons asked the applicant what types of trees would be used. Mr. Wurzak stated that white birch trees or olive trees in planters are planned. Mr. Wright stated that the landscape architect, Roche and Roche, would be selecting olive trees that appear to be established. Vice Chair Simons stated that olives trees thrive in Sunnyvale while birches do not grow as well and stated his opinion that the landscape would benefit from trees varying in height.

Chair Howard closed the Public Hearing.

Commissioner Harrison stated her desire to visit the site when it opens.

Chair Howard stated that he agreed with Commissioner Harrison.

Vice Chair Simons asked staff if it is possible to add a condition for an existing element to ensure it is built. Assistant Director Miner stated that he invites any conditions to the motion that are within the City's code and standards.

Commissioner Rheume asked staff if the proposed project would be the first 5-star hotel in Sunnyvale. Assistant Director Miner stated that he did not believe there are any other 5-star hotels in Sunnyvale. The applicant stated that this project would be the first 5-star hotel.

MOTION: Vice Chair Simons moved and Commissioner Weiss seconded the motion for Alternative 2 - Make the findings required by CEQA in Attachment 3, adopt the Mitigated Negative Declaration; approve the Moffett Park - Special Development Permit with modified findings or conditions –

1. Specify that estate sized trees will be included along the south side landscaping;
2. Specify that the color and texture of the wall along Moffett Park Drive will match the rest of the proposed project;
3. Indicate that the stone wall along Mathilda Avenue will be constructed as depicted in the site plans; and,
4. Specify that the use of permeable materials will be maximized, as feasible.

Vice Chair Simons moved with a condition to specify that Planning staff work with Department of Public Works to place a planting strip on the Mathilda Avenue side of the project to better protect pedestrians from vehicles. Assistant Director Miner stated that the planting strip is the existing requirement. Vice Chair Simons retracted the condition.

Vice Chair Simons stated that neighbors surrounding the project may feel a lack of privacy at night time and stated his opinion that the addition of certain landscaping would help mitigate some of the potential concerns from neighbors on the other side of the freeway. Vice Chair Simons added that he has visited hotels built by the developer and that this proposed project would be a nice addition to Sunnyvale. He stated that there is a market for this hotel, that he appreciates the use of existing buildings in the project, and that he intends to support the proposed project.

Commissioner Weiss stated her excitement for the proposed project and its location at a gateway to Sunnyvale. Commissioner Weiss added that she likes the architectural beauty, the amenities, the farm-to-table garden, the exhibition kitchen, and the additional meeting rooms that would be available in Sunnyvale. Commissioner Weiss stated her opinion that she appreciates the many details that make this an excellent proposed project that she intends to support.

Commissioner Rheume stated his intention to support the proposed project and stated his opinion that it is one of the nicest proposed projects he has reviewed while on the Planning Commission. Commissioner Rheume stated his opinion that the proposed project is a great addition to the City and that it would hopefully raise the expectation for other projects. Commissioner Rheume commented that he also hopes to visit the site once it is open.

Commissioner Harrison stated that she can make the findings with respect to the Moffett Park Special Development Permit and that she supports the proposed project.

The motion carried by the following vote:

Yes: 6 - Commissioner Weiss
Chair Howard
Commissioner Howe
Vice Chair Simons
Commissioner Rheume
Commissioner Harrison

No: 0

Absent: 1 - Commissioner Olevson

Assistant Director Miner stated that this decision is final unless appealed to the City Council within 15 days or called up the City Council within 15 days.

STANDING ITEM: CONSIDERATION OF POTENTIAL STUDY ISSUES

NON-AGENDA ITEMS AND COMMENTS

-Commissioner Comments

Vice Chair Simons stated that the stone boulders outside of the Bright Horizons

project at Sunnyvale-Saratoga Road and Remington Drive do not appear to have met the specifications of the COA in terms of size. Commissioner Weiss stated that the trees planted were not the sizes requested.

Commissioner Weiss suggested that the Planning Commission read Generation Priced Out: Who Gets to Live in the New Urban America by Randy Shaw.

Commissioner Howe stated that the size of the boulders that were used for the Bright Horizons project are not substantial enough to protect children from vehicles who might run up onto the property and that he believes the project has not met the COA.

-Staff Comments

Assistant Director Miner introduced the Planning Commission to the new Planning Commission Secretary, Bonnie Filipovic, and thanked Joey Mariano for his assistance. Assistant Director Miner informed the Commission that the Summit Public School proposed project appeal and sign code amendment for the downtown theatre and grocery store will be heard at the City Council meeting the following evening.

Chair Howard closed the Public Hearing.

Chair Howard stated that the meeting will reconvene in the West Conference Room after a brief recess to rank study issues.

ADJOURN PUBLIC HEARING TO THE WEST CONFERENCE ROOM

Chair Howard adjourned the meeting to the West Conference Room for the selection and ranking of potential 2019 study issues.

4. [19-0153](#) Selection and Ranking of Potential 2019 Study Issues

ADJOURNMENT

Chair Howard adjourned the meeting at 10:30 PM.



City of Sunnyvale

Meeting Minutes - Draft

Housing and Human Services Commission

Wednesday, January 23, 2019

7:00 PM

West Conference Room, City Hall, 456 W.
Olive Ave., Sunnyvale, CA 94086

CALL TO ORDER

Chair Gilbert called the meeting to order at 7 p.m.

SALUTE TO THE FLAG

Chair Gilbert led the salute to the flag.

ROLL CALL

Present: 5 - Chair Diana Gilbert
Commissioner Patti Evans
Commissioner Ken Hiremath
Commissioner Minjung Kwok
Commissioner Elinor Stetson

Absent: 1 - Vice Chair Joshua Grossman

Vice Chair Joshua Grossman (excused)
Council Liaison Russ Melton (present)

ORAL COMMUNICATIONS

None.

CONSENT CALENDAR

1.A [19-0052](#) Approve the Housing and Human Services Commission
Meeting Minutes of December 12, 2018

Chair Gilbert asked if there was need for discussion, or for a motion on the consent calendar.

MOTION: Commissioner Evans moved and Commissioner Stetson seconded the motion to Approve the Housing and Human Services Commission Minutes of December 12, 2018 as submitted.

The motion carried by the following vote:

Yes: 5 - Chair Gilbert
Commissioner Evans
Commissioner Hiremath
Commissioner Kwok
Commissioner Stetson

No: 0

Absent: 1 - Vice Chair Grossman

PUBLIC HEARINGS/GENERAL BUSINESS

2 [19-0051](#) Review and Rank Study Issues

Housing Officer Jenny Carloni provided an overview of each of the study issues and staff recommendations, as well as a review of the ranking process.

After some clarifying questions of staff, Chair Gilbert opened the public hearing at 7:25 p.m.

No speakers present.

Chair Gilbert closed the public hearing at 7:26 p.m.

Chair Gilbert suggested to discuss one study issue at a time to first determine if they should be dropped or deferred, and rank the remainder. All commissioners agreed.

There was no motion to drop any of the study issues.

Study Issue CDD 19-01: Evaluation of Right-to-Lease Ordinance was deferred unanimously.

Study Issue CDD 19-11: Promote Workforce Housing Opportunities for City Employees and Sunnyvale School Teachers was deferred unanimously.

MOTION: Commissioner Evans moved and Commissioner Stetson seconded the motion to defer Study Issue CDD 19-12: Develop Policy to address impacts of Mobile Home Park rent increases, conversions, and closures.

The motion failed by the following vote:

Yes: 2 - Commissioner Evans
Commissioner Stetson

No: 3 - Chair Gilbert
Commissioner Hiremath
Commissioner Kwok

Absent: 1 - Vice Chair Grossman

Ranking of the remaining two study issues was as follows:

Study Issue	Evans	Gilbert	Hiremath	Kwok	Stetson
CDD 19-12	2	2	2	2	2
CDD 19-13	1	1	1	1	1

Chair Gilbert asked for a motion.

MOTION: Commissioner Hiremath moved and Commissioner Evans seconded the motion to accept the resulting ranking:

Ranked No. 1 - Study Issue CDD 19-13: Update and develop City policies to take a more prominent role in human services for Sunnyvale residents.

Ranked No. 2 - Study Issue CDD 19-12: Develop Policy to address impacts of Mobile Home Park rent increases, conversions, and closures.

The motion carried by the following vote:

Yes: 5 - Chair Gilbert
Commissioner Evans
Commissioner Hiremath
Commissioner Kwok
Commissioner Stetson

No: 0

Absent: 1 - Vice Chair Grossman

Additionally, Chair Gilbert noted that she would attend the Council Study Issues Workshop on March 7.

3 [19-0174](#) Review Draft Human Services Policy Letter to City Council

Chair Gilbert asked if there were any questions on the letter that she drafted

regarding Human Services policy.

Chair Gilbert opened the public hearing at 7:58 p.m.

No speakers present.

Chair Gilbert closed the public hearing at 7:59 p.m.

Chair Gilbert encouraged the commissioners to provide input to improve the letter before it was sent to Council.

STANDING ITEM: CONSIDERATION OF POTENTIAL STUDY ISSUES

NON-AGENDA ITEMS & COMMENTS

-Commissioner Comments

Commissioner Hiremath thanked Chair Gilbert for drafting the letter to Council.

-Staff Comments

Housing Officer Carloni announced that the Housing Strategy webpage was in place and distributed a flier for the Community Outreach meeting scheduled for Feb 12 at Lakewood Park Community Room. She also noted that outreach for the Housing strategy will be done through email to existing lists of interested parties, City website, social media, and posting fliers at key locations throughout the City and encouraged the Commissioners to spread the word.

INFORMATION ONLY REPORTS/ITEMS

[19-0168](#) Approved 2019 Master Work Plan

ADJOURNMENT

Chair Gilbert adjourned the meeting at 8:27 p.m.



City of Sunnyvale

Meeting Minutes - Final

Board of Library Trustees

Monday, January 7, 2019

7:00 PM

Library Program Room
Sunnyvale Public Library
665 W. Olive Ave.
Sunnyvale, CA 94086

CALL TO ORDER

Chair Lai called the meeting to order at 7:00 p.m.

ROLL CALL

Present: 4 - Chair Carey Wingyin Lai
Vice Chair Daniel Bremond
Board Member Tina Hwang
Board Member Mark Isaak

PRESENTATION

[18-1098](#) PRESENTATION - 2019 Silicon Valley Reads Program

Librarians Lorianna Giarrizzo and Mira Geffner provided the Board with an overview of the Silicon Valley Reads Program. Silicon Valley Reads is an annual community program that selects books focused on a contemporary theme and offers free events throughout Santa Clara County to engage the public in reading, thinking and discussing the topic. This year's theme, "Finding Identity in Family History", will engage the community in discussing genealogy research and will introduce readers to various outstanding books for both adults and children. Sunnyvale Public Library will be highlighting "Finding Samuel Lowe" by Paula Williams Madison (adults) and "Alma and How She Got Her Name" by Juana Martinez-Neal (children). Events to be held at Sunnyvale Public Library include:

- Adult Monthly Book Group discussion on Wednesday, February 20 at 7 p.m.
- Children's Storytime and Craft on Wednesday, March 6 from 4 to 5 p.m.
- Documentary Film Screening (Madison) on Tuesday, March 12 at 7 p.m.
- Author event with Paula Williams Madison, on Sunday, March 17 from 1 to 2 p.m.

[18-1099](#) PRESENTATION - Library Fines

Director Cynthia Bojorquez provided the Board with general information and resources related to the discussion topic surrounding libraries across the Country eliminating fines/fees. Director Bojorquez shared with the Board statistics specific to the Sunnyvale Public Library as of August 2018:

- 87,260 active library accounts
- 12% of active library accounts pertain to minors
- 10,107 library accounts are blocked (fines of \$20+ and/or billed items)
- 86% of fines owed on blocked accounts pertain to adults (\$625,619)
- 13% of fines owed on blocked accounts pertain to minors (\$96,775)

Additional statistics related to fines owed on unexpired library accounts, expired accounts and by type (overdue or billed items) were also shared. As well as the Library's annual revenue from fines and fees for the last five years.

Board Members inquired whether additional statistics could be provided such as number of repeat offenders; overdue fines based on collections (adults/childrens/teens); average number of checkouts per account; approximately how many items are overdue/billed; and average number of items per owed fines (dollar valuation).

ORAL COMMUNICATIONS

None.

CONSENT CALENDAR

- 1 [18-1111](#) Approve the Board of Library Trustees Meeting Minutes of December 3, 2018

Vice Chair Bremond moved, and Board Member Isaak seconded, to approve the Board of Library Trustees Meeting Minutes of December 3, 2018 as submitted.

Yes: 4 - Chair Lai
 Vice Chair Bremond
 Board Member Hwang
 Board Member Isaak

No: 0

PUBLIC HEARINGS/GENERAL BUSINESS**2 [18-1102](#) Rank Study Issues**

Director Bojorquez provided the Board with an overview of the ranking process and of Study Issue LCS 19-01: Options and Benefits of Establishing a Library Foundation.

Chair Lai opened the public hearing, and there being no public testimony, closed the public hearing.

Board Members individually ranked the proposed Study Issue which resulted in the Board ranking LCS 19-01 as one of one for calendar year 2019.

Vice Chair Bremond moved, and Board Member Isaak seconded, to approve the ranking of the 2019 proposed Study Issue. The motion carried by the following vote:

Yes: 4 - Chair Lai
 Vice Chair Bremond
 Board Member Hwang
 Board Member Isaak

No: 0

STANDING ITEM: CONSIDERATION OF POTENTIAL STUDY ISSUES

None.

NON-AGENDA ITEMS & COMMENTS**-Board Member Comments**

Chair Lai mentioned that Cupertino Library offers online databases in various languages (Chinese and Spanish) and inquired if Sunnyvale Library provides the same services.

ADJOURNMENT

Chair Lai adjourned the meeting at 8:15 p.m.



City of Sunnyvale

Meeting Minutes - Draft

Board of Library Trustees

Monday, February 4, 2019

7:00 PM

Library Program Room
Sunnyvale Public Library
665 W. Olive Ave.
Sunnyvale, CA 94086

CALL TO ORDER

Chair Lai called the meeting to order at 7:00 p.m.

ROLL CALL

Present: 4 - Chair Carey Wingyin Lai
Vice Chair Daniel Bremond
Board Member Tina Hwang
Board Member Mark Isaak

Council Liaison Fong arrived at 7:10 p.m.
Board Member Tina Hwang arrived at 7:10 p.m.

ORAL COMMUNICATIONS

None.

CONSENT CALENDAR

1.A [19-0081](#) Approve the Board of Library Trustees Meeting Minutes of January 7, 2019

Vice Chair Bremond moved, and Board Member Isaak seconded, to approve the Board of Library Trustees Meeting Minutes of January 7, 2019 as submitted.

Yes: 4 - Chair Lai
Vice Chair Bremond
Board Member Hwang
Board Member Isaak

No: 0

PUBLIC HEARINGS/GENERAL BUSINESS

2 [19-0082](#) Overview of Cold Weather Shelter Program

Director Cynthia Bojorquez introduced Michelle Covert from the Office of Supportive Housing for the County of Santa Clara. Ms. Covert provided an overview of the Office of Supportive Housing's priorities and services to address homelessness in Santa Clara County. The Sunnyvale Cold Weather Shelter program offers: 140 shelter beds; shuttle and transportation assistance; onsite storage for clients; medical care; workshops and children's activities. In March 2018, the Santa Clara Board of Supervisors approved a pilot program extending the operations of the Sunnyvale location to year-round. Based on program evaluation results, the Office of Supportive Housing will be recommending year-round services to the Board of Supervisors in the Spring.

Director Bojorquez shared with the Board statistics specific to incident reports from the past two years. She credited the decrease in the number of incidents to the ongoing communication and collaborative work between City, County and shelter staff.

Chair Lai opened the public hearing, and there being no public testimony, closed the public hearing.

3 [19-0083](#) Census 2020

Director Bojorquez provided an overview of the County of Santa Clara's outreach plan and timeline for the 2020 Census. Part of the outreach plan included establishing a Steering Committee of 20-25 county-wide members that will provide advice and recommendations to the County Executive's Office. City staff have been assigned to serve on the Steering Committee.

Director Bojorquez shared obstacles and challenges surrounding the 2020 Census and the role of libraries. She requested suggestions regarding the types of programs and/or workshops that staff should consider hosting. Board Members suggested programs that provide general information about the Census, the roles of the various County subcommittees, the jobs available and how residents may participate.

Chair Lai opened the public hearing.

Council Liasion Fong, speaking on behalf County's Enumerator Subcommittee, spoke about the role and job duties of an enumerator. He also shared information

related to the hiring process for enumerators and other Census related jobs.

There being no additional public testimony, Chair Lai closed the public hearing.

Vice Chair Bremond moved, and Board Member Isaak seconded, for staff to develop a Library Census program to present to the Board so that Board Members may identify their level of involvement/participation with the program. The motion carried by the following vote:

Yes: 4 - Chair Lai
Vice Chair Bremond
Board Member Hwang
Board Member Isaak

No: 0

STANDING ITEM: CONSIDERATION OF POTENTIAL STUDY ISSUES

None.

NON-AGENDA ITEMS & COMMENTS

-Board Member Comments

None.

-Staff Comments

Director Bojorquez informed the Board of the following:

- At its January 15 meeting, Council sponsored two study issues that will pertain to Library operations: 1) options for establishing an amnesty program for overdue material fees; and 2) strategies to promote cultural inclusion in City programs and services. The study issue documents have been drafted and submitted for City Manager's approval. The Council will review and rank proposed study issues at the Study Issues and Budget Issues Workshop scheduled for Thursday, March 7 in Council Chambers.

- At its January 29 meeting, Council formally accepted \$313,446 in grant funding from the California Public Utilities Commission's (CPUC) California Advanced Services Fund. These funds have been awarded to the City to support basic digital literacy instruction at six Sunnyvale School District schools. Participants, with children enrolled at the identified school sites, will receive training to gain proficiency in "internet basics". Parents that complete the training will receive a Chromebook and a \$10 a month Comcast broadband service subscription.

- A recruitment to fill vacancies on City boards and commissions, including the

vacant seat on the Board of Library Trustees, was conducted during the month of January. Interviews are scheduled for February 5 and appointments will be made at the February 26 Council meeting.

- Free tax assistance will be available at the Library to assist low to moderate income taxpayers with the preparation of their state and federal tax forms.

Appointments are available for February 27 from noon to 8 p.m. Walk-in appointments will be available on Wednesday evenings starting January 30 through April 10 from 4 to 8 p.m.

- The Lunar New Year Festival is scheduled for February 16 from 11 a.m. to 3 p.m. at the Sunnyvale Community Center Ballroom.

ADJOURNMENT

Chair Lai adjourned the meeting at 8:11 p.m.