CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
SAN FRANCISCO BAY REGION

In the matter of:	)	
	)	
SAN FRANCISCO PUBLIC UTILITIES COMMISSION	)	**SETTLEMENT AGREEMENT AND STIPULATION FOR ENTRY OF ADMINISTRATIVE CIVIL LIABILITY ORDER**
	)	
February 8, 2014, Discharge of Chlorinated Treated Wastewater; February 8, 2014, Discharge of Undisinfected Partially Treated Wastewater; July 19, 2014, Discharge of Chlorinated Treated Wastewater; July 21, 2014, Discharge of Partially Treated Wastewater	)	R2-2016-1034
	)	**ORDER**

Section I: INTRODUCTION

1. This Settlement Agreement and Stipulation for Entry of Administrative Civil Liability Order (Stipulation or Stipulation and Order) is entered into by and between the Assistant Executive Officer of the California Regional Water Quality Control Board San Francisco Bay Region (Regional Water Board), on behalf of the Regional Water Board Prosecution Team (Prosecution Team), and the City and County of San Francisco, San Francisco Public Utilities Commission (SFPUC or Settling Respondent) (collectively Parties), and is presented to the Regional Water Board, or its delegee, for adoption as an Order by settlement, pursuant to Government Code section 11415.60. This Stipulation resolves the violations alleged herein by the imposition of administrative civil liability against SFPUC in the amount of **$611,100**.

Section II: RECITALS

2. SFPUC owns and operates the Southeast Water Pollution Control Plant (Southeast Plant), located on Phelps Street at Jerrold Avenue near the Islais Creek Channel. This facility provides primary and secondary treatment of combined wastewater and stormwater collected from SFPUC's combined sewer system on the east side of the city. Regional Water Board Order R2-2013-0029 (NPDES Permit CA0037664) establishes waste discharge requirements for the Southeast Plant.

3. SFPUC owns and operates the Oceanside Water Pollution Control Plant (Oceanside Plant) and its associated collection system, a combined sewer system that includes the Westside Wet Weather Facilities. The collection system includes approximately 300 miles of sewer pipes on the westside watershed of the city that covers the areas of Richmond, Sunset, Lake Merced, and a small portion of Daly City. The

system also includes four all-weather pump stations and two wet weather pump stations. Regional Water Board Order R2-2009-0062 (NPDES Permit CA0037681) established waste discharge requirements (WDRs) for the Oceanside Plant.

4. **Violation A.** The Prosecution Team alleges that SFPUC violated Prohibition III.A of Order R2-2013-0029 by discharging approximately 3.7 million gallons (MG) of chlorinated treated wastewater without dechlorination to Islais Creek and Lower San Francisco Bay from the Southeast Plant during a wet weather event on February 8, 2014. About 1.6 MG of the 3.7 MG discharged to Islais Creek via the Quint Street shallow water outfall, Discharge Point No. 002. The remaining 2.1 MG discharged to the Lower San Francisco Bay via the Pier 80 deep water outfall, Discharge Point No. 001. Operator error caused the discharge. During a power outage, an operator started manual disinfection (i.e., chlorination and dechlorination) in accordance with standard practices, but later closed the disinfection line when directed to do so by his supervisor.

5. **Violation B.** The Prosecution Team alleges that SFPUC violated Prohibition III.A and Provision VI.C.5.b of Order R2-2013-0029 by discharging approximately 5.34 MG of undisinfected combined stormwater and wastewater to Islais Creek and Lower San Francisco Bay from the Southeast Plant during a wet weather event on February 8, 2014. About 2.22 MG of the 5.34 MG discharged to Islais Creek via the Quint Street shallow water outfall, Discharge Point No. 002. The remaining 3.12 MG discharged to Lower San Francisco Bay via the Pier 80 deep water outfall, Discharge Point No. 001. The discharge occurred for the same reason Violation A occurred.

6. **Violation C.** The Prosecution Team alleges that SFPUC violated Effluent Limitation IV.A.1 for total residual chlorine of Order R2-2013-0029 by discharging approximately 200,000 gallons of secondary treated wastewater with chlorine residual to Lower San Francisco Bay from the Southeast Plant during dry weather on July 19, 2014. Operator error caused this discharge. An operator did not follow standard practice by failing to thoroughly remove all super-chlorinated wash water from an offline chlorine contact chamber before putting that chamber back into service.

7. **Violation D**. The Prosecution Team alleges that SFPUC violated Prohibition III.C of Order R2-2009-0062 by discharging about 5.3 MG of primary treated wastewater without secondary treatment to the Pacific Ocean via the Southwest ocean outfall from the Oceanside Plant during dry weather on July 21, 2014. Operator error caused this discharge. An operator inadvertently opened a bypass valve when attempting to correct low oxygen levels in an aeration basin.

8. As set forth in Exhibit A, attached hereto and incorporated by reference, Violation A is subject to penalties under California Water Code (Water Code) section 13385, subdivision (a)(2), totaling **$79,400**.

9. As set forth in Exhibit B, attached hereto and incorporated by reference, Violation B is subject to penalties under Water Code section 13385, subdivision (a)(2), totaling **$110,100**.

10. As set forth in Exhibit C, attached hereto and incorporated by reference, Violation C is subject to penalties under Water Code section 13385, subdivision (a)(2), totaling **$190,600**.

11. As set forth in Exhibit D, attached hereto and incorporated by reference, Violation D is subject to penalties under Water Code section 13385, subdivision (a)(2), totaling **$231,000**.

12. The Parties have engaged in settlement negotiations and agree to fully settle the alleged violations for **$611,100** without administrative or civil litigation and by presenting this Stipulation to the Regional Water Board, or its delegee, for adoption as an Order by settlement, pursuant to Government Code section 11415.60.

13. The liability imposed by this Order for the violation is consistent with Water Code section 13385 and is a reasonable liability determination using the penalty methodology in the State Water Resources Control Board's (State Water Board's) Water Quality Enforcement Policy as shown in Exhibits A through D.

14. The Prosecution Team believes that the resolution of the alleged violations set forth herein is fair and reasonable and fulfills all of its enforcement objectives, that no further action is warranted concerning the violation, except as provided in this Stipulation, and that this Stipulation is in the best interest of the public.

Section III: STIPULATIONS

The Parties stipulate to the following:

15. **Administrative Civil Liability:** The Settling Respondent hereby agrees to pay the administrative civil liability totaling **$611,100**. The Parties agree that SFPUC will expend $611,100 toward a Supplemental Environmental Project ("SEP") as set forth below and in SFPUC's SEP Proposal (Exhibit E). $611,100 of the administrative civil liability will be suspended pending SEP completion as defined in this Stipulation. If the suspended liability amount becomes due and payable pursuant to paragraph 16, subdivisions (h) or (i), that assessed amount shall be submitted by check made payable to the State Water Pollution Cleanup and Abatement Account no later than 30 days following notification from the Executive Officer or its delegate. The check shall reference the Order number listed on page one of this Stipulation. The original signed check shall be sent to the following address, and notification of payment shall be sent to the Office of Enforcement (email to Paul.Ciccarelli@waterboards.ca.gov) and the Regional Water Board (email to Habte.Kifle@waterboards.ca.gov):

State Water Resources Control Board Accounting Office
Attn: ACL Payment
P.O. Box 1888
Sacramento, CA 95812-1888

16. **Supplemental Environmental Project:** The Parties agree that $611,100 of the administrative civil liability shall be suspended pending completion of the SEP described in this paragraph and Exhibit E. The suspended portion shall be referred to as the SEP Amount.

a. **Definitions**

"Implementing Party" – an independent third party(ies) with whom SFPUC has contracted or otherwise engaged to implement the SEP.

"SEP Completion Date" – the date in which the SEP will be completed in its entirety. The SEP Completion Date for this Stipulation is June 15, 2018. The Executive Officer has authority to extend the completion date to November 30, 2018. SFPUC shall submit a written request for extension to the Executive Officer and shall provide the necessary justification for the delay. The procedures for modifications and for approvals and decisions of the Regional Water Board are provided in paragraphs 25 and 17 respectively.

b. **Description**

SFPUC will contribute the SEP amount to the California State Parks Foundation ("Implementing Party") to complete Phase II of the Yosemite Slough Restoration Project, a $28.8 million restoration project that will create the largest contiguous wetland in San Francisco County. The Yosemite Slough Restoration Project is located in the Candlestick Point State Recreation Area within the Bayview Hunter's Point community in southeastern San Francisco. Specifically, the SEP amount will help fund the construction of a $1.2 million Visitor Interpretive Center, an integral and critical part of the entire Yosemite Slough Restoration Project. Directing the SEP amount towards the Visitor Interpretive Center will close the funding gap for Phase II ($4.4 million).

The SEP meets the qualification criteria as specified in the State Water Board's Policy on Supplemental Environmental Projects ("SEP Policy") as explained in Exhibit E, and pending the Director of the State Water Board, Office of Enforcement's ("Director") approval of the SEP Amount, which exceeds 50 percent of the total adjusted monetary assessment by $305,550. Consistent with the SEP Policy, the Director is on notice of SFPUC's SEP Proposal. The Prosecution Team's notification, provided as Exhibit F, details the reasons why the Regional Water Board accepts the SEP in lieu of monetary liability payment, and the exceptional circumstances that justify exceeding the recommended percentage limit. Further details on the SEP and SFPUC's findings of exceptional circumstances justifying the SEP can be found in Exhibit E. The Director will determine whether to approve the adjusted assessment through a finding of compelling justification after the 30-day public review and comment period for this Stipulation has closed, and before this Stipulation is presented to the Regional Water Board, or its delegee, for adoption as Order by settlement, pursuant to Government Code section 11415.60. If the Director does not approve the adjusted assessment, the Parties agree to submit a revised Stipulation to the Regional Water Board, or its delegee, for adoption as an Order by settlement.

c. Representations and Agreements

Settling Respondent understands that its promise to implement the SEP outlined in this paragraph and Exhibit E is a material condition of this Stipulation. Settling Respondent represents the following: (1) that the Settling Respondent (or the Implementing Party) shall utilize the funds provided to it to implement the SEP in accordance with the Project Milestones and Budget set forth in Exhibit E; (2) Settling Respondent (or the Implementing Party) shall provide written reports certified under penalty of perjury to the Regional Water Board consistent with the terms of this Stipulation detailing the implementation of the SEP, and (3) within 30 days of the completion of the SEP, Settling Respondent shall provide written certification, under penalty of perjury, that Settling Respondent and the Implementing Party followed all applicable environmental laws and regulations in the implementation of the SEP including but not limited to the California Environmental Quality Act (CEQA), the Clean Water Act, and the Porter-Cologne Act. Settling Respondent agrees that the Regional Water Board has the right to require an independent audit, to be paid for by Settling Respondent, of the funds expended by Settling Respondent to implement the SEP.

d. Publicity

Whenever Settling Respondent or its agents or subcontractors or the Implementing Party publicizes one or more elements of the SEP, they shall state in a **prominent manner** that the project is being, or has been, undertaken as part of the settlement of an enforcement action by the Regional Water Board against the Settling Respondent.

e. Progress Reports and Inspections

Settling Respondent and/or the Implementing Party shall provide quarterly progress reports as described in Exhibit E. Settling Respondent and/or the Implementing Party shall permit inspection of the SEP by Regional Water Board staff or its third party oversight staff at any time without notice.

f. Certifications and Audits

i. Certification of Expenditures

On or before the SEP Completion Date, Settling Respondent (or the Implementing Party on behalf of Settling Respondent) shall submit a certified statement by a responsible official representing Settling Respondent and a responsible official representing the Implementing Party documenting the expenditures by Settling Respondent and the Implementing Party during the completion period for the SEP. In making such certification, the officials may rely upon normal project tracking systems that capture employee time expenditures and external payments to outside vendors such as environmental and information technology contractors or consultants. Settling Respondent shall provide any additional information requested by Regional Water Board staff or its third party oversight staff that is reasonably necessary to verify SEP expenditures.

ii. Certification of Performance of Work

On or before the SEP Completion Date, Settling Respondent shall submit a report, under penalty of perjury, stating that the SEP has been completed in accordance with the terms of this Stipulation including Exhibit E. Documentation may include photographs, invoices, receipts, certifications, and other materials reasonably necessary for the Regional Water Board to evaluate the completion of the SEP and the costs incurred by Settling Respondent.

iii. Certification that Work Performed Meets or Exceeds Requirements of CEQA and Other Environmental Laws

Within 90 days of this Stipulation and Order becoming effective, Settling Respondent shall submit documentation, under penalty of perjury, stating that the SEP meets or exceeds the requirements of CEQA, if applicable, and/or other applicable environmental laws. Settling Respondent (or the Implementing Party) shall, before the SEP Completion Date, consult with other interested State agencies regarding potential impacts of the SEP. Other interested State agencies include, but are not limited to, the California Department of Fish and Wildlife.

iv. Third Party Audit

If Regional Water Board staff obtains information that causes it to reasonably believe that Settling Respondent or Implementing Party has not expended money in the amounts claimed by Settling Respondent or Implementing Party, or has not adequately completed any of the work in the SEP, Regional Water Board staff may require, and Settling Respondent shall submit, at its sole cost, a report prepared by an independent third party acceptable to Regional Water Board staff providing such party's professional opinion that Settling Respondent and/or the Implementing Party has expended money in the amounts claimed by Settling Respondent. In the event of such an audit, Settling Respondent and the Implementing Party agree that they will provide the third-party auditor with access to all documents which the auditor requests. Such information shall be provided to Regional Water Board Staff within three months of the completion of Settling Respondent's SEP obligations.

g. Regional Water Board Acceptance of Completed SEP

Upon Settling Respondent's satisfaction of its obligations under this Stipulation, the completion of the SEP and any audits, Regional Water Board staff will issue a "Satisfaction of Order." The issuance of the Satisfaction of Order shall terminate any further obligations of Settling Respondent and/or the Implementing Party under this Stipulation.

h. Failure to Expend All Suspended Administrative Civil Liability Funds on the Approved SEP

In the event that Settling Respondent is not able to demonstrate to the reasonable satisfaction of Regional Water Board staff that it and/or the Implementing Party has spent the entire SEP Amount for the completed SEP, Settling Respondent shall pay the

difference between the SEP Amount and the amount Settling Respondent can demonstrate was actually spent on the SEP, as an administrative civil liability.

i. **Failure to Complete the SEP**

If the SEP is not fully implemented by the SEP Completion Date required by this Stipulation , Regional Water Board staff shall issue a "Notice of Violation." As a consequence, Settling Respondent shall be liable to pay the entire suspended administrative civil liability amount ($611,100) . Settling Respondent shall not be entitled to any credit, offset, or reimbursement from the Regional Water Board for expenditures made on the SEP prior to the date of the Notice of Violation by the Regional Water Board. The amount of the suspended liability owed shall be determined by the Regional Water Board's Executive Officer or the Executive Officer's delegate. Upon notification of the amount assessed for failure to fully impellent the SEP, the amount assessed shall be paid within 30 days to the State Water Pollution Cleanup and Abatement Account in accordance with Paragraph 15. In addition, Settling Respondent shall be liable for the Regional Water Board's reasonable costs of enforcement, including but not limited to legal costs and expert witness fees. Payment of the assessed amount will satisfy Settling Respondent's obligations to implement the SEP.

j. **Water Board is not Liable**

Neither the Water Board members nor the Water Board staff, attorneys, or representatives shall be liable for any injury or damage to persons or property resulting from acts or omissions by Settling Respondent (or the Implementing Party where applicable) its directors, officers, employees, agents, representatives or contractors in carrying out activities pursuant to this Stipulation and Order, nor shall the Water Board, its members or staff be held as parties to or guarantors of any contract entered into by Settling Respondent, its directors, officers, employees, agents, representatives or contractors in carrying out activities pursuant to this Stipulation and Order.

17. **Necessity for Written Approvals:** All approvals and decisions of the Regional Water Board under the terms of this Stipulation and Order shall be communicated to the Settling Respondent in writing. No oral advice, guidance, suggestions or comments by employees or officials of the Regional Water Board regarding submissions or notices shall be construed to relieve the Settling Respondent of its obligation to obtain any final written approval required by this Order.

18. **Compliance with Applicable Laws:** Settling Respondent understands that payment of administrative civil liability in accordance with the terms of this Stipulation and Order and/or compliance with the terms of this Stipulation and Order is not a substitute for compliance with applicable laws, and that continuing violations of the type alleged herein may subject it to further enforcement, including additional administrative civil liability.

19. **Party Contacts for Communications related to this Stipulation and Order:**

For the Regional Water Board:	**For Settling Respondent:**
Habte Kifle San Francisco Bay Regional Water Quality Control Board 1515 Clay Street, 14th Floor Oakland, CA 94612 Habte.Kifle@waterboards.ca.gov (510) 622-2300	Laura Pagano Regulatory Program Manager, Wastewater City and County of San Francisco 525 Golden Gate Avenue, 11th Floor San Francisco, CA 94102 LPagano@sfwater.org (415) 554-3109

20. **Attorney's Fees and Costs:** Except as otherwise provided herein, each Party shall bear all attorneys' fees and costs arising from the Party's own counsel in connection with the matters set forth herein.

21. **Matters Addressed by this Stipulation:** Upon adoption of the Order incorporating the terms set forth herein, this Stipulation represents a final and binding resolution and settlement of all claims, violations, or causes of action alleged herein. The provisions of this paragraph are expressly conditioned on Settling Respondent's full payment of the stipulated administrative liability amount, and satisfactory completion of SEP(s) in lieu of payment of the full Stipulated Liability, by the deadline(s) specified above.

22. **Public Notice:** The Parties understand that this Stipulation and Order must be noticed for a 30-day public review and comment period prior to consideration by the Regional Water Board or its delegee. In the event objections are raised during the public review and comment period, the Regional Water Board or its delegee may, under certain circumstances, require a public hearing regarding the Stipulation and Order. In that event, the Parties agree to meet and confer concerning any such objections, and may agree to revise or adjust the proposed Order as necessary or advisable under the circumstances. If significant new information is received during the public review and comment period that reasonably affects the propriety of presenting this Stipulation and Order to the Regional Water Board or its delegee for adoption, the Assistant Executive Officer may unilaterally declare this Stipulation void and decide not to present it to the Regional Water Board or its delegee.

23. **Addressing Objections Raised During Public Comment Period:** The Parties agree that the procedure contemplated for adopting the Order by the Regional Water Board, or its delegee, and review of this Stipulation by the public is lawful and adequate. In the event procedural objections are raised prior to the Order becoming effective, the Parties agree to meet and confer concerning any such objections, and may agree to revise or adjust the procedure as necessary or advisable under the circumstances.

24. **Interpretation:** This Stipulation and Order shall be construed as if the Parties prepared it jointly. Any uncertainty or ambiguity shall not be interpreted against any one Party. The Parties are represented by counsel in this matter.

25. **Modification:** This Stipulation and Order shall not be modified by any of the Parties by oral representation made before or after its execution. All modifications must be in writing, signed by all Parties, and approved by the Regional Water Board or its delegee.

26. **If the Order Does Not Take Effect:** In the event that the Order does not take effect because it is not approved by the Regional Water Board or its delegee, or is vacated in whole or in part by the State Water Resources Control Board (State Water Board) or a court, the Parties acknowledge that they expect to proceed to a contested evidentiary hearing before the Regional Water Board to determine whether to assess administrative civil liabilities for the underlying alleged violation(s), unless the Parties agree otherwise. The Parties agree that all oral and written statements and agreements made during the course of settlement discussions will not be admissible as evidence in the hearing. The Parties agree to waive any and all objections based on settlement communications in this matter, including, but not limited to the following:

a. Objections related to prejudice or bias of any of the Regional Water Board members or their advisors and any other objections that are premised in whole or in part on the fact that the Regional Water Board members or their advisors were exposed to some of the material facts and the Parties' settlement positions as a consequence of reviewing the Stipulation and/or the Order, and therefore may have formed impressions or conclusions prior to any contested evidentiary hearing on the violation alleged herein in this matter; or

b. Laches or delay or other equitable defenses based on the time period for administrative or judicial review to the extent this period has been extended by these settlement proceedings.

27. **Waiver of Hearing:** Settling Respondent has been informed of the rights provided by Water Code section 13323, subdivision (b) and hereby waives its right to a hearing before the Regional Water Board prior to the adoption of the Order.

28. **Waiver of Right to Petition or Appeal:** Settling Respondent hereby waives its right to petition the Regional Water Board's adoption of the Order for review by the State Water Board, and further waives its rights, if any, to appeal the same to a California Superior Court and/or any California appellate level court.

29. **Covenant Not to Sue:** Settling Respondent covenants not to sue or pursue any administrative or civil claim(s) against any State agency or the State of California, their officers, Board Members, employees, representatives, agents, or attorneys arising out of or relating to any matter expressly addressed by this Stipulation and Order.

30. **No Admission of Liability:** In settling this matter, Settling Respondent does not admit to any of the allegations stated herein, or that it has been or is in violation of the Water Code, or any other federal, State or local law or ordinance, with the understanding that in the event of any future enforcement actions by the Regional Water Board, the State Water Board or any other Regional Water Quality Control Board, this Stipulation

may be used as evidence of a prior enforcement action consistent with Water Code section 13327 or section 13385, subdivision (e).

31. **Authority to Bind:** Each person executing this Stipulation in a representative capacity represents and warrants that he or she is authorized to execute this Stipulation on behalf of and to bind the entity on whose behalf he or she executes the Stipulation.

32. **No Third Party Beneficiaries:** This Stipulation is not intended to confer any rights or obligations on any third party or parties, and no third party or parties shall have any right of action under this Stipulation for any cause whatsoever.

33. **Counterpart Signatures; Facsimile and Electronic Signature:** This Stipulation may be executed and delivered in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, but such counterparts shall together constitute one document. Further, this Stipulation may be executed by facsimile or electronic signature, and any such facsimile or electronic signature by any Party hereto shall be deemed to be an original signature and shall be binding on such Party to the same extent as if such facsimile or electronic signature were an original signature.

34. **Effective Date**: This Stipulation is effective and binding on the Parties upon the entry of this Order by the Regional Water Board, or its delegee, which incorporates the terms of this Stipulation.

IT IS SO STIPULATED.

CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
SAN FRANCISCO BAY REGION, PROSECUTION TEAM

Date: July 19, 2016

By: _____

Thomas Mumley
Assistant Executive Officer

Approved as to form:

By: _____

Paul D. Ciccarelli, Attorney
State Water Resources Control Board
Office of Enforcement

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PUBLIC UTILITIES COMMISSION

Date: 7/18/12

By: _____
Harlan Kelly, Jr.
General Manager

Approved as to form:

By: _____
John Roddy
Deputy City Attorney

ORDER OF THE REGIONAL WATER BOARD

35. This Order incorporates the foregoing Stipulation.

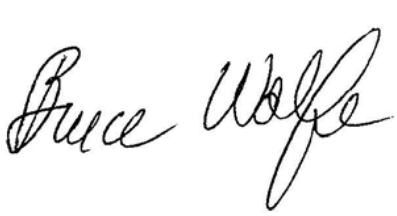
36. In accepting this Stipulation, the Regional Water Board has considered, where applicable, each of the factors prescribed in Water Code section 13385, subdivision (e), and has applied the Penalty Calculation Methodology set forth in the State Water Resource Control Board's Enforcement Policy, which is incorporated herein by this reference. The Regional Water Board's consideration of these factors and application of the Penalty Calculation Methodology is based upon information obtained by the Prosecution Team in investigating the allegations set forth in the Stipulation, or otherwise provided to the Regional Water Board.

37. This is an action to enforce the laws and regulations administered by the Regional Water Board. The Regional Water Board finds that issuance of this Order is exempt from the provisions of the California Environmental Quality Act (Public Resources Code, § 21000 et seq.) in accordance with section 15321, subdivision (a)(2), Title 14, of the California Code of Regulations. Additionally, this Order generally accepts the plans proposed for the SEP prior to implementation. Mere submittal of plans is exempt from CEQA as submittal will not cause a direct or indirect physical change in the environment.

38. The Stipulation and Order are severable; should any provision be found invalid the remainder shall be in full force and effect.

39. The Executive Officer of the Regional Water Board is authorized to refer this matter directly to the Attorney General for enforcement if SFPUC fails to perform any of its obligations under the Order.

IT IS HEREBY ORDERED pursuant to Water Code section 13323 and Government Code section 11415.60, on behalf of the California Regional Water Quality Control Board, San Francisco Bay Region.



Digitally signed by
Bruce H. Wolfe
Date: 2016.11.10
14:42:31 -08'00'

Bruce H. Wolfe — Date
Executive Officer
California Regional Water Quality Control Board
San Francisco Bay Region

Exhibits A-D: Factors Considered to Determine Administrative Civil Liability
Exhibit E: SFPUC's SEP Proposal
Exhibit F: Prosecution Team's Notification to the Office of Enforcement Director

EXHIBIT A

Factors in Determining
Administrative Civil Liability

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PUBLIC UTILITIES COMMISSION
UNAUTHORIZED WASTEWATER DISCHARGE
CITY AND COUNTY OF SAN FRANCISCO

The State Water Resources Control Board Water Quality Enforcement Policy (Enforcement Policy) establishes a methodology for assessing administrative civil liability. Use of the methodology addresses the factors required by Water Code sections 13327 and 13385 subdivision (e).

Each factor in the Enforcement Policy and its corresponding value for the violation is presented below. The Enforcement Policy should be used as a companion document in conjunction with this exhibit since the penalty methodology and definition of terms are not replicated herein. A copy of the Enforcement Policy can be found at:
http://www.waterboards.ca.gov/water_issues/programs/enforcement/docs/enf_policy_final111709.pdf

Alleged Violation

The City and County of San Francisco (Discharger) owns and operates the Southeast Water Pollution Control Plant (Southeast Plant). This plant treats municipal and industrial wastewater and urban stormwater runoff collected from the Discharger's combined sewer system.

Violation A – 1.6 Million Gallons (MG) Discharge of Chlorinated Treated Wastewater

On February 8, 2014, during a wet weather event, the Discharger violated Prohibition III.A of Order R2-2013-0029 by discharging a total of approximately 3.7 MG of chlorinated treated wastewater without dechlorination to Islais Creek and Lower San Francisco Bay from the Southeast Plant. About 1.6 MG of the 3.7 MG discharged to Islais Creek via the Quint Street shallow water outfall, Discharge Point No. 002 (D-002). The remaining 2.1 MG discharged to Lower San Francisco Bay via the Pier 80 deep water outfall, Discharge Point No. 001 (D-001).

Prohibition III.A of R2-2013-0029 prohibits the "Discharge of treated wastewater . . . in a manner different from that described in this Order . . . ." Attachment C of R2-2013-0029 shows the Process Flow Diagram for the Southeast Plant with bisulfite (a dechlorination agent) added after chlorination to both D-001 and D-002 discharge points prior to discharge. Additionally, Fact Sheet section II.B.2 (page F-6) of R2-2013-0029 states in part, "During wet weather, . . . the bypassed primary effluent is chlorinated and dechlorinated . . . ."

The cause of the discharge is operator error after a power outage. In response to the power outage, an operator started manual disinfection (i.e., chlorination and dechlorination) in accordance with standard practice, but then closed the disinfection line as ordered by his

supervisor (Supplemental Report for 5-day Written Report, April 9, 2014, SFPUC response to Notice of Violation Request, June 30, 2014, and Wastewater Discharge Incidents 2014, SFPUC staff presentation, September 23, 2014). (The determination of factors below does not include a proposed penalty for the portion discharged to D-001 because of the lower potential for harm to beneficial uses relative to the portion discharged to D-002.)

PENALTY FACTOR	VALUE	DISCUSSION
Harm or Potential Harm to Beneficial Uses for Discharge Violations	1	**Harm or Potential for Harm:** minor The 1.6-MG discharge posed minor harm to beneficial uses because the discharge fits the Enforcement Policy definition of "no observed impacts but potential impacts …" The beneficial uses potentially impacted by chlorinated wastewater would be aquatic habitat. The following are the evidence considered in concluding a minor harm to the aquatic habitat beneficial uses: • Discharger reported no observed impacts to beneficial uses during and immediately after the discharge event. • On October 1, 2014 (6 months after the discharge event), Regional Water Board staff observed various schools of fish in Islais Creek at the Quint Street discharge point (San Francisco Southeast Water Pollution Control Plant Compliance Evaluation Inspection Report, October 17, 2014). • The chlorine residual in the initial and tail portions of the 1.6-MG discharge was mitigated somewhat by mixing with other wastewater prior to discharge to Islais Creek. First, the initial portion of the discharge mixed with excess dechlorination agent in the wastewater that was in discharge structures before the power outage. Second, the tail portion of the 1.6-MG discharge mixed with undisinfected wastewater (Exhibit B) that gravity flowed into the chlorine contact chamber after cessation of chlorination due to the power outage.
Physical, Chemical, Biological, or Thermal Characteristics Degree of Toxicity	2	**Degree of Toxicity:** moderate The 1.6-MG discharge posed a moderate risk because the discharge fits the Enforcement Policy definition that "… the characteristics of the discharged material have some level of toxicity or pose a moderate level of concern regarding receptor protection …." The wastewater is chlorinated to as high as 3.4 mg/L. The U.S. EPA Water Quality Criterion for chlorine to prevent acute (lethal) effects to aquatic life is 0.019 mg/L.
Susceptibility to Cleanup or Abatement	1	**Susceptibility to Cleanup:** no The discharge was not susceptible to cleanup because the discharge quickly comingled with receiving waters.
Per Gallon Factor for Discharge Violations	0.025	**Deviation from Requirement:** major This multiplier is from Tables 1 and 2 of the Enforcement Policy and is based on the sum of the above factors and a deviation from requirements of major. The Enforcement Policy definition for major deviation states as follows: "… rendering the prohibition ineffective in its essential functions." The discharge violated a permit prohibition that, among other things, prohibits discharges without any dechlorination. The entire discharge was not dechlorinated. Thus,

PENALTY FACTOR	VALUE	DISCUSSION
		the prohibition was rendered ineffective during the incident.
Adjustment for High Volume Discharges	$2/gal	For this violation, a high volume adjustment applies because the discharge volume for the violation was high at over one million gallons, and it occurred during wet weather. Consistent with the Enforcement Policy, a maximum per gallon liability of $2, rather than $10, is appropriate, and would not result in an inappropriately small penalty.
Initial Liability	**$80,200**	The initial liability is calculated as follows: Per Gallon Factor (above) multiplied by gallons discharged to surface water (minus 1,000 gallons) multiplied by the maximum per gallon liability (as adjusted above), plus Per Day Factor (above) multiplied by the maximum per day liability ($10,000) multiplied by the number of days of discharge. **Initial Liability:** (1,599,000 gal x $2/gal x 0.025 + $10,000/day x 1 day x 0.025) = **$80,200**
Adjustments for Discharger Conduct		
Culpability	1.0	For this violation, a higher culpability is appropriate because the failure to dechlorinate the wastewater was due to the Discharger's Chief-on-Watch inappropriately ordering the operator to close the manual disinfection line. This operator had started manual gravity flow disinfection in accordance with Standard Operation Procedure for power outages, but then closed it as ordered. As for the power outage that instigated the need for manual dechlorination, a lower culpability is appropriate because the discharge occurred due to a fluke power outage. This outage occurred when the main breaker tripped and completely shut down power to the Southeast Plant. The trip in the main breaker was caused by a drop in the overall electrical load demand. The reason for the drop in electrical load demand is unknown. This occurred in an electrical system upgrade to install protective relays at the Discharger's primary electrical substation as required by Pacific Gas and Electric (PG&E) standards. The higher and lower culpabilities balance out to a neutral overall culpability for this violation.
Cleanup and Cooperation	0.9	For this violation, a credit of ten percent decrease (i.e., 0.9) from neutral is appropriate because the Discharger thoroughly investigated and found the reason for the power outage and took action to minimize its chance of recurrence. It doubled the timing sequence (to 2 seconds, from 1 second) of the protective relays before tripping of the main breakers would occur. Increasing this timing sequence reduces the possibility of a future switch-based power outage. Furthermore, while backup power would not have prevented the operator error, the Discharger plans to install, or has installed, a backup generator for the disinfection system that would eliminate the need for manual operation during future power outages. These corrective measures are "above and beyond" what is expected from the Discharger considering that the primary cause of the unauthorized discharge was operator error.

PENALTY FACTOR	VALUE	DISCUSSION
		No additional credit is provided for the following measures because they are required by R2-2013-0029: • The Discharger was reasonably responsive to Regional Water Board staff requests for information after the discharge event. • The Discharger took reasonable and necessary measures in response to the operator error cause of the chlorinated discharge. This includes emphasis on the correct disinfection procedures in trainings and posting a "Quick Response" placard at the dosing station. Though not a requirement of R2-2013-0029, the Discharge also took disciplinary action against the Chief-on-Watch who failed to correctly follow established dechlorination procedures. The Chief-on-Watch is no longer employed by the Discharger.
History of Violations	1.1	The Discharger has a history of violation. The Regional Water Board assessed an administrative civil liability in the amount of $626,000 against the Discharger for discharging approximately 475,000 gallons of raw sewage combined with stormwater from a manhole near the intersection of the Great Highway and Balboa Street, San Francisco, to Ocean Beach (Order R2-2007-0001).
Total Base Liability	**$79,400**	Each applicable factor, relating to the Discharger's conduct, is multiplied by the **Initial Liability** (above) for each violation to determine the **Total Base Liability** as follows: **Total Base Liability:** $80,200 x 1 x 0.9 x 1.1 = **$79,398 (rounded to $79,400)**
Ability to Pay and Continue in Business	No adjust-ment	The Discharger has not demonstrated an inability to pay the proposed amount. The Discharger is responsible for and oversees the San Francisco Public Utilities Commission (SFPUC). According to SFPUC's Fiscal Year 2014-15 Budget report, the total budget for the three SFPUC Enterprises (Power, Water and Wastewater) is $939.6 million.
Economic Benefit	None	The Regional Water Board Prosecution Staff did not find a significant economic benefit associated with the violations. The alleged violations occurred due to power outages and human errors which have no direct association with economic benefit.
Other Factors as Justice May Require		
None	$0.0	No other factors considered.
Maximum and Minimum Liabilities		
Maximum Liability	$16 million	Water Code section 13385 allows up to $10,000 for each day in which the violation occurs; and $10 for each gallon exceeding 1,000 gallons that is discharged and not cleaned up. The maximum liability is based on the unauthorized wastewater discharge of 1.6 million gallons for a total of one violation day.

PENALTY FACTOR	VALUE	DISCUSSION
Minimum Liability	$0.0	The violation is not subject to mandatory minimum penalties per Water Code section 13385(h) and (i), and the Discharger did not benefit economically from the violation. Thus, zero minimum liability is determined for this violation.
Final Liability	**$79,400**	The final liability is the total base liability after adjusting for ability to pay, economic benefit, other factors, and maximum and minimum liabilities.

EXHIBIT B

Factors in Determining
Administrative Civil Liability

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PUBLIC UTILITIES COMMISSION
UNAUTHORIZED WASTEWATER DISCHARGE
CITY AND COUNTY OF SAN FRANCISCO

The State Water Resources Control Board Water Quality Enforcement Policy (Enforcement Policy) establishes a methodology for assessing administrative civil liability. Use of the methodology addresses the factors required by Water Code sections 13327 and 13385 subdivision (e).

Each factor in the Enforcement Policy and its corresponding value for each violation is presented below. The Enforcement Policy should be used as a companion document in conjunction with this exhibit since the penalty methodology and definition of terms are not replicated herein. A copy of the Enforcement Policy can be found at:
http://www.waterboards.ca.gov/water_issues/programs/enforcement/docs/enf_policy_final111709.pdf

Alleged Violation

The City and County of San Francisco (Discharger) owns and operates the Southeast Water Pollution Control Plant (Southeast Plant). This plant treats municipal and industrial wastewater and urban stormwater runoff collected from the Discharger's combined sewer system.

Violation B – 2.2 Million Gallons (MG) Discharge of Undisinfected Partially Treated Wastewater

On February 8, 2014, during a wet weather event, the Discharger violated Prohibition III.A and Provision VI.C.5.b of Order R2-2013-0029 by discharging approximately 5.34 MG of undisinfected combined stormwater and wastewater to Islais Creek and Lower San Francisco Bay from the Southeast Plant. About 2.22 MG of the 5.34 MG discharged to Islais Creek via the Quint Street shallow water outfall, Discharge Point No. 002 (D-002). The remaining 3.12 MG discharged to Lower San Francisco Bay via the Pier 80 deep water outfall, Discharge Point No. 001 (D-001).

Prohibition III.A of R2-2013-0029 prohibits "Discharge of treated wastewater . . . in a manner different from that described in this Order . . . ." Fact Sheet section II.A.3 (page F-5) of R2-2013-0029 states in part, "During wet weather ... the entire volume is disinfected prior to discharge." Provision VI.C.5.b.iv of R2-2013-0029 requires the Discharger to ". . . operate the Southeast Plant at maximum treatable flow during wet weather." R2-2013-0029 at page F-6 describes the Southeast Plant during wet weather as having a maximum secondary treatment capacity of 140 MGD and a primary capacity of 110 MGD (or 56% receiving secondary=140 MGD/250 MGD total).

The cause of Violation B is the same as Violation A in Exhibit-A; Violation B occurred immediately subsequent to Violation A when automatic disinfection was stopped after the power failure and manual disinfection was stopped in error. (The determination of factors below does not include a proposed penalty for the portion discharged to D-001 because of the lower potential for harm to beneficial uses relative to the portion discharged to D-002.)

PENALTY FACTOR	VALUE	DISCUSSION
Harm or Potential Harm to Beneficial Uses for Discharge Violations	1	**Harm or Potential for Harm:** minor The 2.2-MG discharge posed minor harm to beneficial uses because the discharge fits the Enforcement Policy definition of "no observed impacts but potential impacts …." The beneficial uses potentially impacted by this discharge would be water contact recreation from the undisinfected water. The following are the evidence considered in concluding a minor harm to the water contact recreation (REC 1): • Discharger noted there was no recreational use at Islais Creek on the day of violation, and no public access is available at D-001, particularly during inclement weather. • The initial portion of the discharge mixed with a portion of the 3.7 MG of chlorinated wastewater (Violation A) that was in the primary and secondary treatment chambers before dechlorination was stopped. Mixing with the residual chlorine mitigated somewhat the bacteria and virus levels in the initial part of the discharge.
Physical, Chemical, Biological, or Thermal Characteristics Degree of Toxicity	2	**Degree of Toxicity:** moderate The 2.2-MG discharge posed a moderate risk because the bacteria and viruses in undisinfected wastewater fit the Enforcement Policy definition of "… pose a moderate level of concern regarding receptor protection."
Susceptibility to Cleanup or Abatement	1	**Susceptibility to Cleanup:** no The discharge was not susceptible to cleanup because the discharge quickly comingled with receiving waters.
Per Gallon Factor for Discharge Violations	0.025	**Deviation from Requirement:** major This multiplier is from Tables 1 and 2 of the Enforcement Policy and is based on the sum of the above factors and a deviation from requirements of major. The Enforcement Policy definition for major deviation states as follows: "… rendering the prohibition ineffective in its essential functions." The discharge violated a permit prohibition that, among other things, prohibits discharges unless the discharge is disinfected. The entire discharge was not disinfected (i.e., not chlorinated and dechlorinated). Thus, the prohibition was rendered ineffective for that day.
Adjustment for	$2/gal	For this violation, a high volume adjustment applies because the discharge

PENALTY FACTOR	VALUE	DISCUSSION
High Volume Discharges		volume for the violation was high in that it was over two million gallons, and the violation also occurred during wet weather. Consistent with the Enforcement Policy, a maximum per gallon liability of $2, rather than $10, is appropriate, and would not result in an inappropriately small penalty.
Initial Liability	**$111,200**	The initial liability is calculated as follows: Per Gallon Factor (above) multiplied by gallons discharged to surface water (minus 1,000 gallons) multiplied by the maximum per gallon liability (as adjusted above), plus Per Day Factor (above) multiplied by the maximum per day liability ($10,000) multiplied by the number of days of discharge. **Initial Liability:** (2,219,000 gal x $2/gal x 0.025 + $10,000/day x 1 day x 0.025) = **$111,200**
Adjustments for Discharger Conduct		
Culpability	1.0	For this violation, a higher culpability is appropriate because the failure to disinfect the wastewater was due to the Discharger's Chief-on-Watch inappropriately ordering the operator to close the manual disinfection line. This operator had started manual gravity flow disinfection in accordance with Standard Operation Procedure for power outages, but then closed it as ordered. As for the power outage that instigated the need for manual dechlorination, a lower culpability is appropriate because the discharge occurred due to a fluke power outage. This outage occurred when the main breaker tripped and completely shut down power to the Southeast Plant. The trip in the main breaker was caused by a drop in the overall electrical load demand. The reason for the drop in electrical load demand is unknown. This occurred in an electrical system upgrade to install protective relays at the Discharger's primary electrical substation as required by Pacific Gas and Electric (PG&E) standards. The higher and lower culpabilities balance out to a neutral overall culpability for the violation.
Cleanup and Cooperation	0.9	For this violation, a credit of ten percent decrease (i.e., 0.9) from neutral is appropriate because the Discharger thoroughly investigated and found the reason for the power outage and took action to minimize its chance of recurrence. It doubled the timing sequence (to 2 seconds, from 1 second) of the protective relays before tripping of the main breakers would occur. Increasing this timing sequence reduces the possibility of a future switch-based power outage. Furthermore, while backup power would not have prevented the operator error, the Discharger plans to install, or has installed, a backup generator for the disinfection system that would eliminate the need for manual operation during future power outages. These corrective measures are "above and beyond" what is expected from the Discharger considering that the primary cause of the unauthorized discharge was operator error. No additional credit is provided for the following measures because they are required by the Order:

PENALTY FACTOR	VALUE	DISCUSSION
		• The Discharger was reasonably responsive to Regional Water Board staff requests for information after the discharge event as required by the Permit. • The Discharger took reasonable and necessary measures in response to the operator error cause of the undisinfected discharge. This includes emphasis on the correct disinfection procedures in trainings and posting a "Quick Response" placard at the dosing station. Though not a requirement of the Order, the Discharge also took disciplinary action against the Chief-on-Watch who failed to correctly follow established dechlorination procedures. The Chief-on-Watch is no longer employed by the Discharger.
History of Violations	1.1	The Discharger has a history of violation. The Regional Water Board assessed an administrative civil liability in the amount of $626,000 against the Discharger for discharging approximately 475,000 gallons of raw sewage combined with stormwater from a manhole near the intersection of the Great Highway and Balboa Street, San Francisco, to Ocean Beach (Order R2-2007-0001).
Total Base Liability	**$110,100**	Each applicable factor, relating to the Discharger's conduct, is multiplied by the **Initial Liability** (above) for the violation to determine the **Total Base Liability** as follows: **Total Base Liability:** $111,200 x 1 x 0.9 x 1.1 = **$110,088 (rounded to $110,100)**
Ability to Pay and Continue in Business	No adjust-ment	The Discharger has not demonstrated an inability to pay the proposed amount. The Discharger is responsible for and oversees the San Francisco Public Utilities Commission (SFPUC) which operates the Southeast Plant. According to SFPUC's Fiscal Year 2014-15 Budget report, the total budget for the three SFPUC Enterprises, including Power, Water and Wastewater is $939.6 million.
Economic Benefit	None	The Regional Water Board Prosecution Staff did not find a significant economic benefit associated with the violations. The alleged violations occurred due to power outages and human errors which have no direct association with economic benefit.
Other Factors as Justice May Require		
None	0.0	No other factors considered.
Maximum and Minimum Liabilities		
Maximum Liability	$22.2 million	Water Code section 13385 allows up to $10,000 for each day in which the violation occurs; and $10 for each gallon exceeding 1,000 gallons that is discharged and not cleaned up. The maximum liability is based on the

PENALTY FACTOR	VALUE	DISCUSSION
		unauthorized wastewater discharge totaling 2.22 million gallons for a total of one violation day.
Minimum Liability	$0.0	The violation is not subject to mandatory minimum penalties per Water Code section 13385(h) and (i), and the Discharger did not benefit economically from the violation. Thus, zero minimum liability is determined for this violation.
Final Liability	**$110,100**	The final liability is the total base liability after adjusting for ability to pay, economic benefit, other factors, and maximum and minimum liabilities.

EXHIBIT C

Factors in Determining
Administrative Civil Liability

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PUBLIC UTILITIES COMMISSION
UNAUTHORIZED WASTEWATER DISCHARGE
CITY AND COUNTY OF SAN FRANCISCO

The State Water Resources Control Board Water Quality Enforcement Policy (Enforcement Policy) establishes a methodology for assessing administrative civil liability. Use of the methodology addresses the factors required by Water Code sections 13327 and 13385 subdivision (e).

Each factor in the Enforcement Policy and its corresponding value for the violation is presented below. The Enforcement Policy should be used as a companion document in conjunction with this exhibit since the penalty methodology and definition of terms are not replicated herein. A copy of the Enforcement Policy can be found at:
http://www.waterboards.ca.gov/water_issues/programs/enforcement/docs/enf_policy_final111709.pdf

Alleged Violation

The City and County of San Francisco (Discharger) owns and operates the Southeast Water Pollution Control Plant (Southeast Plant). This plant treats municipal and industrial wastewater and urban stormwater runoff collected from the Discharger's east-side combined sewer system.

Violation C – 200,000 Gallons Discharge of Chlorinated Treated Wastewater

On July 19, 2014, during dry weather, the Discharger violated Effluent Limitation IV.A.1 for total residual chlorine of Order R2-2013-0029 by discharging approximately 200,000 gallons of secondary treated wastewater with chlorine residual to Lower San Francisco Bay from the Southeast Plant. Effluent Limitation IV.A.1 requires that during dry weather the Discharger shall comply with 0.0 mg/L total residual chlorine effluent limitation. The discharge consisted of 30,000 gallons of wastewater with residual chlorine levels of up to 0.41 mg/L followed by 170,000 gallons with residual chlorine levels off the Discharger's chart scale above 5.0 mg/L (Wastewater Discharge Incidents 2014, SFPUC staff presentation, September 23, 2014).

The cause of the discharge is operator error. Contrary to the Discharger's standard practice, an operator failed to thoroughly remove all super-chlorinated wash water from an offline chlorine contact chamber before putting that chamber back into service (5-Day Written Report, July 24, 2014).

PENALTY FACTOR	VALUE	DISCUSSION
Harm or Potential Harm to Beneficial Uses for Discharge Violations	0 to 1	**Harm or Potential for Harm:** negligible to minor The first portion of the 200,000-gallon discharge posed negligible harm, and the latter portion posed minor harm. The Enforcement Policy definition for negligible harm is "no actual or potential harm to beneficial uses." The definition for minor harm is "no observed impacts but potential impacts...." The beneficial uses potentially impacted by chlorinated wastewater would be aquatic biota habitat. The following are the evidence considered in concluding a negligible to minor harm to beneficial uses: • Discharger reported no observed impacts to beneficial uses during and immediately after discharge event. • The impacts were somewhat mitigated by the fact that the discharge was to D-001 Pier 80, which is 810 feet offshore, 43 feet deep and equipped with an 18-port diffuser modeled to achieve an acute 51:1 dilution. This means that the initial 30,000-gallon portion of the discharge (with chlorine level at up to 0.41 mg/l) was 0.008 mg/L after initial dilution; the latter 170,000-gallon portion (with chlorine level off the chart above 5 mg/L for up to 17 minutes) was 0.098 mg/L or greater after initial dilution. The U.S. EPA acute criterion for residual chlorine is 0.019 mg/L.
Physical, Chemical, Biological, or Thermal Characteristics Degree of Toxicity	3	**Degree of Toxicity:** above moderate The 200,000 gallon discharge posed an above moderate risk to receptors because the discharge fits the Policy definition that "… the discharged material exceed[s] known risk factors …." The discharge was only partially dechlorinated wastewater. The residual chlorine concentration in the discharge was above the upper limit of the monitoring instrument and pegged at 5 mg/L for up to 17 minutes. Chlorine exhibits toxicity to aquatic life even at low concentrations. The U.S. EPA Water Quality Criterion for chlorine to prevent acute (lethal) effects to aquatic life is 0.019 mg/L.
Susceptibility to Cleanup or Abatement	1	**Susceptibility to Cleanup:** no The discharge was not susceptible to cleanup because the discharge quickly comingled with receiving waters.
Per Gallon Factor for Discharge Violations	0.0875	**Deviation from Requirement:** major This multiplier is the average of 0.025 and 0.150 from Tables 1 and 2 of the Enforcement Policy using the sum of the above factors (4 to 5), and a deviation from requirements of major. The Enforcement Policy definition for major deviation states as follows: "… rendering the prohibition ineffective in its essential functions." The discharge violated the effluent limitation for total residual chlorine of 0.0 mg/L, with a large portion of the discharge exceeding the limit by over 100 times at off the chart above 5 mg/L for up to 17 minutes. Thus, the effluent limitation was rendered ineffective during that incident.
Adjustment for High Volume Discharges	$10/gal	For this violation, a maximum per gallon liability of $10 is appropriate because the discharge volume (200,000 gallons) is not high in volume.
Initial Liability	**$175,000**	The initial liability is calculated as follows: Per Gallon Factor (above) multiplied by gallons discharged to surface water (minus 1,000 gallons)

PENALTY FACTOR	VALUE	DISCUSSION
		multiplied by the maximum per gallon liability (as adjusted above), plus Per Day Factor (above) multiplied by the maximum per day liability ($10,000) multiplied by the number of days of discharge. **Initial Liability:** (199,000 gal x $10/gal x 0.0875 + $10,000/day x 1 day x 0.0875) **= $175,000**
Adjustments for Discharger Conduct		
Culpability	1.1	For this violation, a higher culpability is appropriate because the operator failed to flush an offline chlorine contact channel per standard practice after it had been treated with super-chlorinated water. As a result, the channel was put back online with higher than normal levels of hypochlorite which could not be fully neutralized by the concurrent bisulfite doses. Upon discovery of the error, Discharger staff responded with adjustments to bisulfite dosing.
Cleanup and Cooperation	0.9	For this violation, a credit of 0.9 from neutral is appropriate because the Discharger installed an additional alarm to provide operators with earlier notification of chlorine residuals approaching zero. Also, the Discharger installed level sensors in the channels to improve operator ability to detect flows in the channels. No additional credit is provided for the following measure because it is required by R2-2013-0029: The Discharger was reasonably responsive to Regional Water Board staff requests for information after discharge event as required by R2-2013-0029. The Discharger also took reasonable and necessary measures in response to the operator error cause of the partially dechlorinated secondary treated wastewater discharge. These actions include disciplinary action against the operator who failed to follow standard procedures. The Discharger changed the standard procedures to require inspection of all offline contact channels before placing them online.
History of Violations	1.1	The Discharger has a history of violation. The Regional Water Board assessed an administrative civil liability in the amount of $626,000 against the Discharger for discharging approximately 475,000 gallons of raw sewage combined with stormwater from a manhole near the intersection of the Great Highway and Balboa Street, San Francisco, to Ocean Beach (Order R2-2007-0001).
Total Base Liability	**$190,600**	Each applicable factor, relating to the Discharger's conduct, is multiplied by the **Initial Liability** (above) for the violation to determine the **Total Base Liability** as follows: **Total Base Liability:** $175,000 x 1.1 x 0.9 x 1.1 = **$190,575 (rounded to $190,600)**
Ability to Pay and Continue	No adjust-	The Discharger has not demonstrated an inability to pay the proposed amount. The Discharger is responsible for and oversees the San Francisco Public Utilities Commission (SFPUC) which operates the Southeast Plant..

PENALTY FACTOR	VALUE	DISCUSSION
in Business	ment	According to SFPUC's Fiscal Year 2014-15 Budget report, the total budget for the three SFPUC Enterprises, including Power, Water and Wastewater is $939.6 million.
Economic Benefit	None	The Regional Water Board Prosecution Staff did not find a significant economic benefit associated with the violations. The alleged violations occurred due to power outages and human errors which have no direct association with economic benefit.
Other Factors as Justice May Require		
None	$0.0	No other factors considered.
Maximum and Minimum Liabilities		
Maximum Liability	$2 million	Water Code section 13385 allows up to $10,000 for each day in which the violation occurs; and $10 for each gallon exceeding 1,000 gallons that is discharged and not cleanup. The maximum liability is based on the unauthorized wastewater discharges totaling 200,000 million gallons for a total of one violation day.
Minimum Liability	$3,000	Water Code section 13385(h) and (i), mandatory minimum penalties (MMP) statute, requires $3,000 per violation. A $3,000 MMP applies to this violation.
Final Liability	**$190,600**	The final liability is the total base liability after adjusting for ability to pay, economic benefit, other factors, and maximum and minimum liabilities.

EXHIBIT D

Factors in Determining
Administrative Civil Liability

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO PUBLIC UTILITIES COMMISSION
UNAUTHORIZED WASTEWATER DISCHARGE
CITY AND COUNTY OF SAN FRANCISCO

The State Water Resources Control Board Water Quality Enforcement Policy (Enforcement Policy) establishes a methodology for assessing administrative civil liability. Use of the methodology addresses the factors required by Water Code sections 13327 and 13385 subdivision (e).

Each factor in the Enforcement Policy and its corresponding value for the violation is presented below. The Enforcement Policy should be used as a companion document in conjunction with this exhibit since the penalty methodology and definition of terms are not replicated herein. A copy of the Enforcement Policy can be found at:
http://www.waterboards.ca.gov/water_issues/programs/enforcement/docs/enf_policy_final111709.pdf

Alleged Violations

The City and County of San Francisco (Discharger) owns and operates the Oceanside Water Pollution Control Plant (Oceanside Plant). This plant treats municipal and industrial wastewater and urban stormwater runoff collected from the Discharger's west-side combined sewer system.

Violation D – 5.3 Million Gallons (MG) Discharge of Partially Treated Wastewater

On July 21, 2014, during dry weather, the Discharger violated Prohibitions III.C of Order R2-2009-0062 by discharging about 5.3 MG of primary treated wastewater without secondary treatment to the Pacific Ocean via the Southwest ocean outfall, Discharge Point 001 (D-001 ocean outfall) from the Oceanside Plant. R2-2009-0062 at III.C prohibits "The bypass of untreated or partially-treated wastewater to waters of the United States . . . except during wet weather. "Attachment F section II.A. on page F-4 of R2-2009-0062 states, "Treatment at the Oceanside Plant . . . includes coarse screening . . ., fine screening and grit removal . . ., primary sedimentation, activated sludge treatment by a pure oxygen process, and secondary clarification." Additionally, Attachment A on page A-3 states, "During dry weather, all wastewater collected is treated to secondary levels at the Plant and discharged at Discharge Point 001."

The cause of the violation is operator error. The operator inadvertently opened a bypass valve when attempting to correct low oxygen levels in an aeration basin (5-Day Written Report, July 30, 2014).

PENALTY FACTOR	VALUE	DISCUSSION
Harm or Potential Harm to Beneficial Uses for Discharge Violations	0	**Harm or Potential for Harm:** negligible The 5.3-MG discharge posed negligible harm because the discharge fits the Enforcement Policy definition of "no actual or potential harm to beneficial uses." The beneficial uses potentially impacted by partially treated wastewater would be aquatic habitat. Impacts to aquatic biota are negligible due to the dilution the discharge received as it entered ocean waters. The following are the evidence considered: • Discharger reported no observed impacts to beneficial uses near shore during and immediately after discharge event. • The 5.3 MG primary treated wastewater mixed with 3.5 MG of secondary treated wastewater prior to discharge. This mitigated somewhat the potential impacts to aquatic biota from the higher levels of pollutants in primary relative to secondary effluent. • The discharge occurred through the D-001ocean outfall, which is 3.8(3.3 nautical) miles offshore, achieves a minimum initial dilution of 150:1 (Attachment F—Fact Sheet, Provision III.B.2 pages F-10 and F-11), which substantially reduced the harm of the discharge to negligible level.
Physical, Chemical, Biological, or Thermal Characteristics Degree of Toxicity	2	**Degree of Toxicity:** moderate The 5.3-MG discharge posed a moderate risk because the pollutants in primary wastewater fit the Enforcement Policy definition by posing "…a moderate level of concern regarding receptor protection." Primary treatment typically achieves only about 30 percent BOD and 60 percent TSS removal whereas the minimum standard for secondary treatment is 85 percent removal.
Susceptibility to Cleanup or Abatement	1	**Susceptibility to Cleanup:** no The discharge was not susceptible to cleanup because the discharge quickly comingled with receiving waters.
Per Gallon Factor for Discharge Violations	0.020	**Deviation from Requirement:** major This multiplier is from Tables 1 and 2 of the Enforcement Policy and is based on the sum of the above factors and a deviation from requirements of major. The Enforcement Policy definition for major deviation states as follows: "… rendering the prohibition ineffective in its essential functions." The discharge violated a permit prohibition that, among other things, prohibits the bypass of untreated or partially-treated wastewater to waters of the United States, except during wet weather. Thus, the prohibition was rendered ineffective during the incident.
Adjustment for High Volume Discharges	$2/gal	For this violation, a high volume adjustment applies because the discharge volume was high (5.3 million gallons). Consistent with the Enforcement Policy, a maximum per gallon liability of $2, rather than $10, is appropriate, and would not result in an inappropriately small penalty.
Initial Liability	**$212,160**	The initial liability is calculated as follows: Per Gallon Factor (above) multiplied by gallons discharged to surface water (minus 1,000 gallons) multiplied by the maximum per gallon liability (as adjusted above), plus Per

PENALTY FACTOR	VALUE	DISCUSSION
		Day Factor (above) multiplied by the maximum per day liability ($10,000) multiplied by the number of days of discharge. **Initial Liability:** (5,299,000 gal x $2/gal x 0.020 + $10,000/day x 1 day x 0.020) = **$212,160**
Adjustments for Discharger Conduct		
Culpability	1.1	For this violation, a higher culpability is appropriate because the operator inappropriately opened a bypass valve when attempting to correct low oxygen levels in the aeration basin. As a result, the operator incorrectly changed the control of the secondary bypass from AUTO mode of the Distribution Control System (DCS) to MANUAL initiating partial secondary bypass (valve was 53 percent open).
Cleanup and Cooperation	0.9	For this violation, a credit of 0.9 from neutral is appropriate because the Discharger improved its notification system to automatically alert management when the bypass valve is open. The Discharger also modified log sheets to require operators to identify any alarms that are not working or have been disabled at the start of each shift. Additionally, the Discharger modified the log sheets to require operators to document the status of the secondary bypass valve. The supervisor in charge must now confirm and approve bypass valve status. No additional credit is provided for the following measures they are required by R2-2009-0062: • Discharger was reasonably responsive to Regional Water Board staff requests for information after the discharge event. • Discharger took reasonable and necessary measures in response to the operator error cause of the primary treated wastewater discharge. These include disciplinary action against the duty operator who inadvertently opened the bypass valve. Also, the Discharger posted a notice next to the bypass valve to more clearly identify its function, normal operating mode and the need to notify the Discharger Chief-on-Watch before any alterations.
History of Violations	1.1	The Discharger has a history of violation. The Regional Water Board assessed an administrative civil liability in the amount of $626,000 against the Discharger for discharging approximately 475,000 gallons of raw sewage combined with stormwater from a manhole near the intersection of the Great Highway and Balboa Street, San Francisco, to Ocean Beach (Order R2-2007-0001).
Total Base Liability	**$231,000**	Each applicable factor, relating to the Discharger's conduct, is multiplied by the **Initial Liability** (above) for each violation to determine the **Total Base Liability** as follows: **Total Base Liability:** $212,160 x 1.1 x 0.9 x 1.1 = **$231,042 (rounded to $231,000)**
Ability to Pay	No adjust-	The Discharger has not demonstrated an inability to pay the proposed amount. The Discharger is responsible for and oversees the San Francisco Public

PENALTY FACTOR	VALUE	DISCUSSION
and Continue in Business	ment	Utilities Commission (SFPUC) which operates the Oceanside Plant. According to SFPUC's Fiscal Year 2014-15 Budget report, the total budget for the three SFPUC Enterprises (Power, Water and Wastewater) is $939.6 million.
Economic Benefit	None	The Regional Water Board Prosecution Staff did not find a significant economic benefit associated with the violations. The alleged violations occurred due to power outages and human errors which have no direct association with economic benefit.
Other Factors as Justice May Require		
None	$0.0	No other factors considered.
Maximum and Minimum Liabilities		
Maximum Liability	$53 million	Water Code section 13385 allows up to $10,000 for each day in which the violation occurs; and $10 for each gallon exceeding 1,000 gallons that is discharged and not cleanup. The maximum liability is based on the unauthorized wastewater discharge totaling 5.3 million gallons for one violation day.
Minimum Liability	$0.0	The violation is not subject to mandatory minimum penalties per Water Code section 1335(h) and (i), and the Discharger did not benefit economically from the violation. Thus, zero minimum liability is determined for this violation.
Final Liability	**$231,000 (rounded)**	The final liability is the total base liability after adjusting for ability to pay, economic benefit, other factors, and maximum and minimum liabilities.

EXHIBIT E

Supplemental Environmental Project Proposal

Basic Information

1. **Project Name:** Yosemite Slough Shoreline Restoration Visitor Interpretive Center

2. **Project Amount:** $611,100 (if SEP is approved at 100 percent of imposed liability)

3. **Project Lead:** California State Parks Foundation

4. **Contact:**

   San Francisco Public Utilities Commission: Michael Carlin (415) 934-5787
   California State Parks Foundation: Elizabeth Goldstein (415) 262-4401

5. **Project Description**

The supplemental environmental project (SEP) will fill a funding gap for the construction of a Visitor Interpretive Center that will be an integral part of Phase II of the Yosemite Slough Restoration Project, a three-phase $28.8 million plan to create the largest contiguous wetland in the county of San Francisco. This restoration is located in the Candlestick Point State Recreation Area, located in the Bayview Hunter's Point community in southeastern San Francisco. This area is one of the most historically industrialized, polluted, park-poor and underserved areas in the City.

Phase I ($12.2 million), the most complicated portion of the project, was completed in June 2012 and resulted in the restoration of seven wetland acres along the north shore of Yosemite Slough. Design for Phase II – which involves development of the infrastructure needed to open the north side of the Yosemite Slough waterfront to the public for the first time since its industrialization – is underway. Phase II also includes planning to restore an additional 11 waterfront acres along the south side of Yosemite Slough.

The 18-month Phase II ($4.4 million) site development and construction components include completing the construction of a new 800-square-foot green Visitor Interpretive Center; surfacing of the new one-mile Yosemite Slough extension of the Bay Trail; developing and installing interpretive signage and state-of-the-art multimedia interpretive stations; constructing park amenities to encourage and facilitate community use, including park viewing areas, picnic areas, parking for school buses, and a lawn play area. SEP funds will contribute specifically to the construction of the Visitor Interpretive Center up to the amount of the SEP ($611,100). The budgeted amount for the Visitor Interpretive Center construction is $1.2 million.

Phase II of the Yosemite Slough Restoration Project will create the infrastructure necessary to allow and invite community access to the restoration area. Some specific themes the Phase II interpretation projects will emphasize include brown field remediation, the habitat of the Bay, the value of wetlands, the Pacific Flyway, and sea level rise adaptation, as well as cultural themes such as the shipyard and Butcher town. The Visitor Interpretive Center will also host youth group recreational programs in the restored park and wetland areas.

Funding the Visitor Interpretive Center with SEP monies will directly benefit the Bayview Hunter's Point community, in which the City's largest wastewater treatment plant is located, and will help leverage other sources of funding currently being pursued. To date, the California State Parks Foundation (CPSF) has secured more than half of the required funding for the entire project, and is actively seeking additional partners to ensure that this rare opportunity to realize the full environmental, recreational and educational potential of San Francisco's historically industrialized southeastern waterfront. Past and current funding sources include the United States Environmental Protection Agency, the San Francisco Estuary Partnership, California State Coastal Conservancy, the City of San Francisco-San Francisco Airport, the Richard & Rhoda Goldman Foundation, Bay Area Rapid Transit, the S.D. Bechtel, Jr. Foundation, Wildlife Conservation Board, Bay Conservation and Development, The Barkley Fund, San Francisco Foundation, Association of Bay Area Governments Bay Trail, Hearst Foundations, Hellman Foundation, and private donors.

Of the needed $4.4 million for Phase II, CSPF has obtained $2.5 million and has recently received additional funding commitments of $1.3 million. This brings the total Phase II funding to $3.8 million. Directing the full amount of the $611,100 penalty towards this SEP would close the gap and fully fund Phase II. If, for some reason, some of the promised new funding did not materialize, CSPF is committed to going forward with some version of Phase II (which would include the Visitor Interpretive Center).

The attached document depicts key features and highlights of the Yosemite Slough Restoration Project.

Compliance with SEP Criteria

6. Benefits to Beneficial Uses of Yosemite Slough

The proposed SEP will help allow for and enhance non-contact water recreational beneficial uses (REC 2) of the north side of the Yosemite Slough waterfront area for the first time. Currently this area is not accessible by nearby residents of Bayview Hunter's Point and the general public. The Visitor Interpretive Center that will be partially funded by the SEP, along with park amenities from other funding sources, will be designed to encourage and facilitate community use of the area and a reconnection of the community to the wetlands and the Bay. Most notably, the Visitor Interpretive Center which will not only provide programming to educate visitors on wetland ecology but will also host youth group programs to promote recreational participation. The SEP monies would be directed specifically towards the construction of this Visitor Interpretive Center.

The SEP will be an integral and critical part of the entire Yosemite Slough Restoration Project which directly benefits surface water quantity and quality by contributing to a wetland restoration, recreation and education project, which enhances monitoring options, non-point source program implementation and ongoing watershed management facilitation services.

Historically the most northerly portion of Candlestick Point has been closed off to public access due to past dumping, junkyards, and landfill that have turned once thriving wetlands into a wasteland. The State of California purchased this area, also known as Yosemite Slough, in part to cease the dumping and polluting that was occurring, but also because it recognized the historical nature of the tidal marshes and mudflats that are threatened by the misuse of the land.

This park offers the most comprehensive recreational, educational and clean up opportunities for this area. The restoration of Yosemite Slough will create the largest contiguous wetland area in San Francisco. The entire restoration project will help restore essential wildlife habitat, improve water quality, and prevent erosion along the shoreline of the City of San Francisco—an area of the bay where tidal wetlands have been most affected and suffered the greatest loss due to urbanization. The State Park's Yosemite Slough Restoration Project will also be accessible to visitors and will serve Bayview Hunters Point, a community that has been disproportionately affected by environmental degradation.

The Yosemite Slough Restoration Project, which would include the proposed SEP, will have the following beneficial effects:

- Increase the area subject to tidal influence by excavating three areas that were formerly part of San Francisco Bay.
- Restore habitat diversity by restoring tidally-influenced wetlands and marsh area and removing chemically-impacted soils from upland areas to improve the quality of existing habitat.
- Improve habitat for special status species (e.g. western snowy plover and double-crested cormorants) by a nesting island along the north shoreline.
- Improve the quality of life for the surrounding community by creating a clean, beautiful local park for viewing wildlife habitat.
- Create an environmental area that local schools can use for field trips.
- Connect to the Blue Greenway, an important effort to build 13-miles of Bay Trail along the southern waterfront of the San Francisco Bay Trail.

7. Rationale for SEP Exceeding 50 Percent of Proposed Penalty Amount

The SFPUC is requesting that all of the proposed penalty be directed to support the Yosemite Slough Restoration Project. The SFPUC believes that this project presents exceptional circumstances that justify exceeding the 50 percent recommended in the State's Supplemental Environmental Project Policy for the following compelling reasons.

First, the SEP will provide substantial benefits to one of the City's most disadvantaged communities. As noted above, the proposed SEP is located in the disadvantaged Bayview Hunters Point community. This community is home to one of the City's most racially diverse, economically disadvantaged populations. The minority population percentage of this neighborhood as a whole is more than 30 percentage points higher than it is for San Francisco and the State of California. Approximately 19 percent of families and 21 percent of individuals in the neighborhood live below the federal poverty level, which is more than double the citywide rate and meaningfully higher (5%) than the statewide rate.[1]

This community has disproportionately borne the brunt of the consequences of industrial activities in San Francisco. For example, although the neighborhood comprises only eight percent of the

[1] The percentage of individuals living below the poverty rate in the Bayview is 21% while the percentage state-wide in California is 16%. The weighted average poverty level for a family of four was $23,834 in 2013 (Census, 2013). These figures likely understate the severity of Bayview situation as the cost of living in San Francisco (one of the most expensive cities in the country) is likely higher than the statewide cost of living.

City's total landmass, the area is home to one-third of San Francisco's hazardous waste sites and more than two-thirds of the City's pollution sources, according to the San Francisco Department of Public Health. Other metrics indicate similar trends:

- Fine Particulate Matter (PM 2.5) – when PM 2.5 concentrations are compared across census tracts Citywide, all Bayview Hunters Point census tracts are in the highest 25 percent of PM 2.5 concentrations.
- Recreational Area Score[2] – based on parks present as of 2011, the Bayview Hunters Point neighborhood has a Recreational Area Score of 37, compared to a score of 56 Citywide.
- Open Space & Trees – Bayview Hunters Point has 397 acres of open space, which is about 13% of the neighborhood, compared to the City as a whole, which has 6,741 acres of open space, or about 23% of city land. Similarly, Bayview Hunters Point has only about 3 trees per acre, which is among the lowest rates in the City (Bayview at 3 trees per acre vs. 7 trees per acre citywide). As comparison, New York City has an estimated 27 trees per acre, and Chicago has 24 trees per acre.

The proposed SEP will go towards constructing the Visitor Interpretive Center which will be an educational and recreational facility for the Bayview Hunters Point community designed to encourage and facilitate community use. The SEP will be an important catalyst to leveling historical disproportionate impacts to that community.

Second, the SEP funds will help close the funding gap for Phase II projects and can be used to leverage other, diverse, sources of funding. Currently, CSPF has secured approximately $3.8 million of the $4.4 million required to complete Phase II. Directing 100% of the penalty to the SEP will close this funding gap. Moreover, helping to complete Phase II, with its highly visible milestones (e.g., interpretive center, signage, connection to Bay Trail), will not only allow for and enhance the recreational benefits of the Yosemite Slough Restoration Project, but will also help inspire momentum and critical funding for the Phase III restoration of the Yosemite Slough south wetlands (note: Although a successful Phase II would be highly valuable for obtaining Phase III funding, SEP funds designated for Phase II work would be used to fund only Phase II work, not for Phase III work, as guaranteed by the President of the California State Parks Foundation, Elizabeth Goldstein).

Finally, the SEP will be a significant contribution to a Yosemite Slough Restoration Project that represents an exceedingly rare opportunity to restore and create wetlands in a highly urban environment. San Francisco is the second most densely populated city in the United States. Unlike many other areas in the Bay virtually all of San Francisco's shoreline has been armored, developed, or is otherwise unavailable for wetlands creation. Wetlands provide myriad benefits including improving water quality, serving as buffers against storms and adaptation to sea level rise (including high tide shelter), and providing habitat to aquatic life and birds.

[2] The Recreational Area Score (RAS) is an indicator of health and sustainability developed by the City of San Francisco's Department of Public Health as part of its Sustainable Communities Index. RAS is a relative measure of the number of acres of public recreation space within two miles, weighted by distance. While there isn't national RAS data, San Francisco's Sustainable Communities index has been used as a planning tool in cities such as Denver, Galveston, Oakland, Philadelphia and Geneva, Switzerland. More on the Sustainable Communities index can be found at www.sustainablecommunitiesindex.org.

8. No Benefit to the Discharger

This SEP provides no direct benefit to the San Francisco Public Utilities Commission (SFPUC). The SFPUC is a department within the City and County of San Francisco with jurisdiction exclusively over the City's wastewater and stormwater infrastructure. The City and County of San Francisco has no obligation to provide financial or other support to this project, will receive no direct or indirect benefits as a result of this effort, and will not direct or exercise any control over the SEP.

9. No Benefit to the Water Board Functions, Members or Staff

This SEP provides no benefit to the San Francisco Bay Regional Water Quality Control Board, its members or staff.

10. Nexus to the Nature or Location of Violations

The location of this SEP has nexus to the locations of the violations. This SEP is being proposed as part of the settlement of four NPDES permit violations that occurred in 2014. All of the violations occurred within the City and County of San Francisco. Three of the four violations occurred as the result of operational issues at the Southeast Water Pollution Control Plant, which is located in the Bayview Hunters Point neighborhood.

11. Project Maintenance

This SEP would be used to construct the Visitor Interpretive Center part of the Phase II, which itself is part of the larger Yosemite Slough Restoration Project. Maintenance of the Yosemite Slough Restoration Project, including the visitor center, is assured and will be managed by the CSPF and/or the California Department of Parks and Recreation.

12. Documented Support

This project has already received financial and other support from those listed in section 5, and others.

13. Project Milestones & Budget

The total project budget for Phase II is $4.4 million. Of this, the Visitor Interpretive Center construction component is budgeted to cost $1.2 million. In 2015, with other funding sources CSPF had initiated Phase II work by selecting the design team who had completed draft construction documents for the Visitor Interpretive Center. The following milestones for Phase II projects, including milestones for the Visitor Interpretive Center, were provided by the CSPF. The attached contains the schematic design and 60% construction document for the Visitor Interpretive Center. Final design may vary somewhat from these.

Milestones	SEP Budget

March – June 2016 (12 – 16 weeks)

- 100% final construction documents – site improvements
- 100% final construction documents – Visitor Interpretive Center
- Construction cost estimate – FINAL
- CSPF Project Handoff to California Department of Parks and Recreation (DPR)

July – October 2016 (8 – 16 weeks)

- Bid process
- Contract Award
- Notice to Proceed

November 2016 – August 2017 (32 – 40 weeks)

- Construction
  - Site prep and additional grading
  - Electrical, water and sewage
  - Building construction, restrooms $611,100
  - Improvements (trails, park entrance, parking, picnic area)
  - Signage, landscaping, lighting

Fall 2017

- Park and Visitor Interpretive Center opens
- Conduct surveys to show REC 2 use of Phase II amenities (see Section 14)

SEP Reporting Schedule

#	**Reporting Schedule**	**Due Date**
1	Quarterly Report – Commitment(s) for full funding by other sources (if applicable); 100% construction documents; cost estimate; project handoff to DPR; Bid process; Contract award; Notice to proceed	10/15/2016
2	Quarterly Report – Start construction	01/15/2017
3	Quarterly Report – Construction progress	04/15/2017
4	Quarterly Report – Construction progress	07/15/2017
5	Quarterly Report – Construction completion; Visitor Center opening; conduct surveys.	10/15/2017
6	Quarterly Report – Conduct surveys	01/15/2018
7	Quarterly Report – Conduct surveys	04/15/2018
8	Final Report – Including survey results	06/15/2018

The SEP Completion Date is the due date of the final report, June 15, 2018. The Executive Officer has authority to extend this completion date to November 30, 2018. If an extension is granted, the extension shall apply also to the reports to the Regional Water Board (section 15) and to third party oversight (section 16). SFPUC shall submit a written request for such extension to the Executive Officer and shall provide the necessary justification for the delay. The procedures for modifications and for approvals and decisions of the Regional Water Board are provided in Stipulation paragraphs 25 and 17 respectively.

14. Project Performance Measures

The SEP must achieve all of the following performance measures to be deemed completed:

- SEP funds will be used only for constructing the Visitor Interpretive Center which is one of the most highly visible and important parts of the Phase II projects under the Yosemite Slough Restoration Project. CSPF need not maintain the SEP monies in a segregated account, but financial records shall demonstrate that construction costs of Phase II equal or exceed the SEP amount.

- Survey results, to be included with the final report required in section 15, from at least four separate days (may be consecutive), within six months of public opening of the Phase II Visitor Interpretative Center, must show that REC 2 use of Phase II amenities by no less than 100 people.

- If the SEP is approved at greater than 50 percent of imposed liability, then the follow two additional performance measures apply:

    1. Receipt by October 15, 2016, of commitment(s) for full funding by other sources (~$500,000); in other words, commitment(s) that would fulfill the balance of the entire budget of $4.4 million for completion of Phase II.
    2. Survey results, described in the performance measure above, must show REC 2 use of Phase II amenities by no less than 100 residents of the Bay View Hunter's point community.

15. Reports to the Water Board

The SFPUC will coordinate with the CSPF to provide the following reports:

1. Quarterly reports due on the fifteenth of each calendar quarter (January 15, April 15, etc.) starting with the first full calendar quarter after SEP approval, and ending with the final report. Quarterly reports shall inform the San Francisco Estuary Partnership (SFEP) of the entirety of the Phase II progress, not only the SEP component. Once the SEP related work starts, expenditures justification shall be included in the reports.
2. Final report due June 15, 2018, unless the due date is extended as allowed by section 13, above.

16. Third Party Oversight Organization

The SFPUC proposes to use the SFEP to provide oversight of funding for this SEP. SFEP has extensive experience overseeing SEP implementation in the San Francisco Bay Region. The SFPUC shall reimburse the SFEP for oversight; such costs shall not be part of the cost of the SEP. For oversight of the SEP, the SFEP shall report directly to the Regional Water Board.

Attachment:

Schematic Design and 60% Construction Document for the Visitor Interpretive Center

Introduction

ATTACHMENT

Yosemite Slough North Park Improvements

60% Design Review Meeting

10 am to 12 pm

Meeting Attendees

California State Parks Amy Brees, Steve Musillami, Dan Osanna, Michael Patrick, Danita Rodriguez, Karl Rose, Gary Shimotsu, Pei Wang

California State Parks Foundation: Elizabeth Goldstein, Cecille Caterson, Jerry Emory

WRA, Inc. – Lead Consultant: Giselle Goulette, George Salvaggio, Catherine Sherraden

Gelfand Partners – Architects: Ottavio Bariselli, Karen Gates, Lisa Gelfand

Agenda

1. Introductions/ design overview
2. Program review
3. Site plan design review
4. Architectural design review
5. Site materials options review
6. General design and next steps
7. Amphitheater discussion
8. Closing

Yosemite Slough, Pre Construction

Yosemite Slough, Post Construction

Program Summary

Park

- Reconfiguration of Griffith Street entrance
- Bus and pedestrian drop-off, fire truck turn-around, parking
- Staging area, public restrooms, lawn play area, overlook
- Picnic/BBQ, passive play, stairs/lawn panels
- Bay trail

Education Center

- 1100 sq. ft.
- Enclosed structure for protection against vandalism
- Water, sewer, electricity, telephone/internet
- Classroom, restroom, office and storage/mechanical room
- Zero net energy

Site Constraints

SFPUC Easements

- Griffith St. and Van Dyke St. sewer easements
- Manhole access by SFPUC service vehicles
- Fire truck access

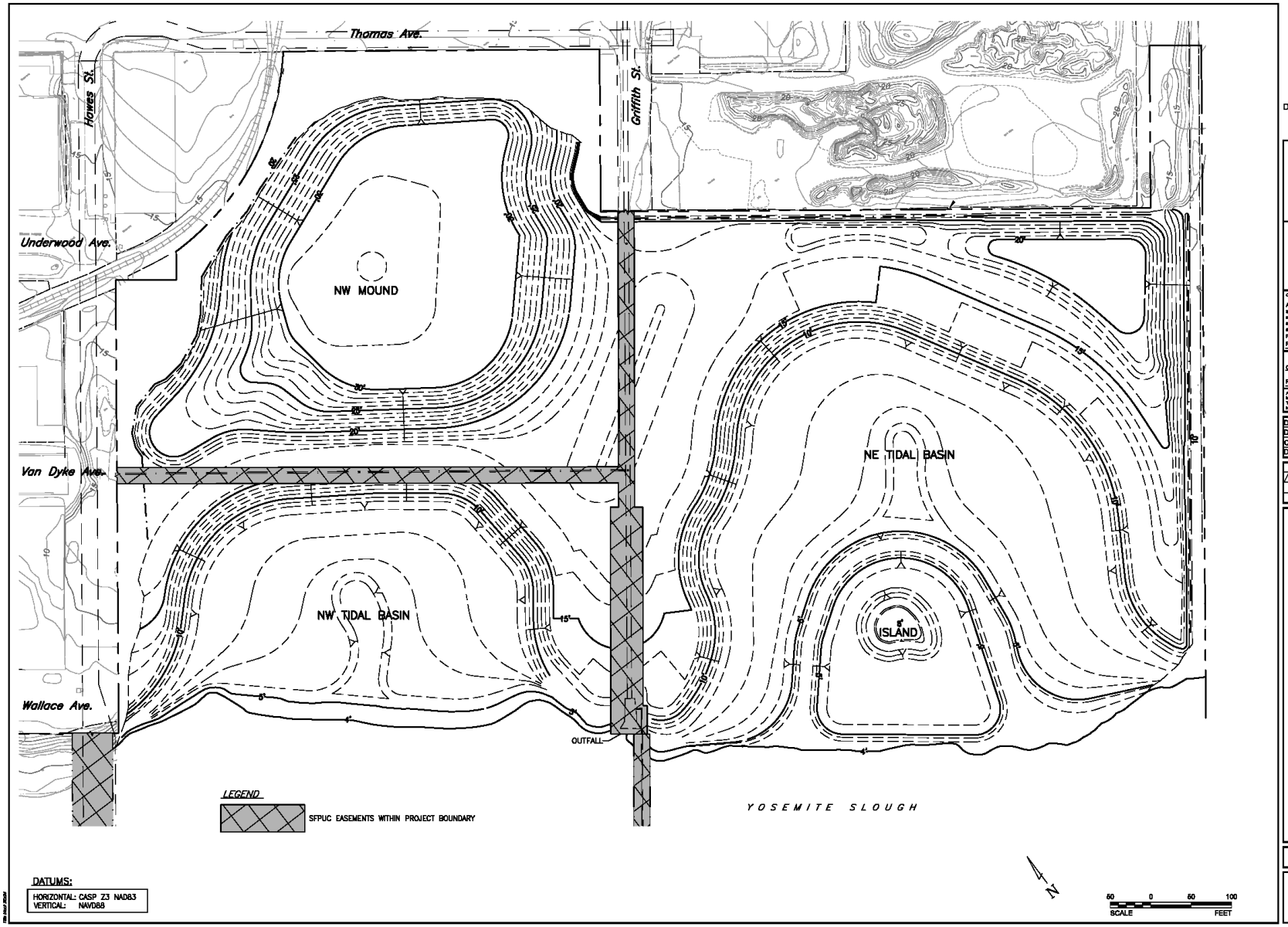
Requirements for Working with Capped Soils

Utility Trenching and Other Excavation

- Remove and reuse upper 2’ of cap
- Add trench spoils to small mound
- Recap small mound

Grading and Drainage – must maintain 2’ of cover

- Elevate parking as needed integrate bioswales



ACQUISITION & DEVELOPMENT DIVISION
One Capitol Mall
Sacramento, CA
95814-3229

NOBLE CONSULTANTS, INC

CALIFORNIA STATE FIRE MARSHAL - APPROVED

Approval of this plan does not authorize or approves any omission or deviation from applicable regulations. Final approval is subject to field inspection. One set of approved plans shall be available on the project site at all times.

Reviewed by Date

DPR ACCESS COMPLIANCE REVIEW ACCESSIBILITY SECTION

CERTIFICATION #

Reviewed by Date

ACCESSIBILITY COMPLIANCE AND STATE FIRE MARSHAL PERMIT OBLIGATIONS ARE ON FILE AT THE DEPARTMENT OF PARKS AND RECREATION, NORTHERN SURVEYS CENTER.

DESIGNED:	SMN
DRAWN:	NAV/LI
CHECKED:	SMN
DATE:	AUGUST 27, 2010

REVISIONS

	DATE

CANDLESTICK POINT STATE RECREATION AREA
YOSEMITE SLOUGH RESTORATION PROJECT

PHASE 1 NORTH GRADING PLAN & SFPUC EASEMENTS

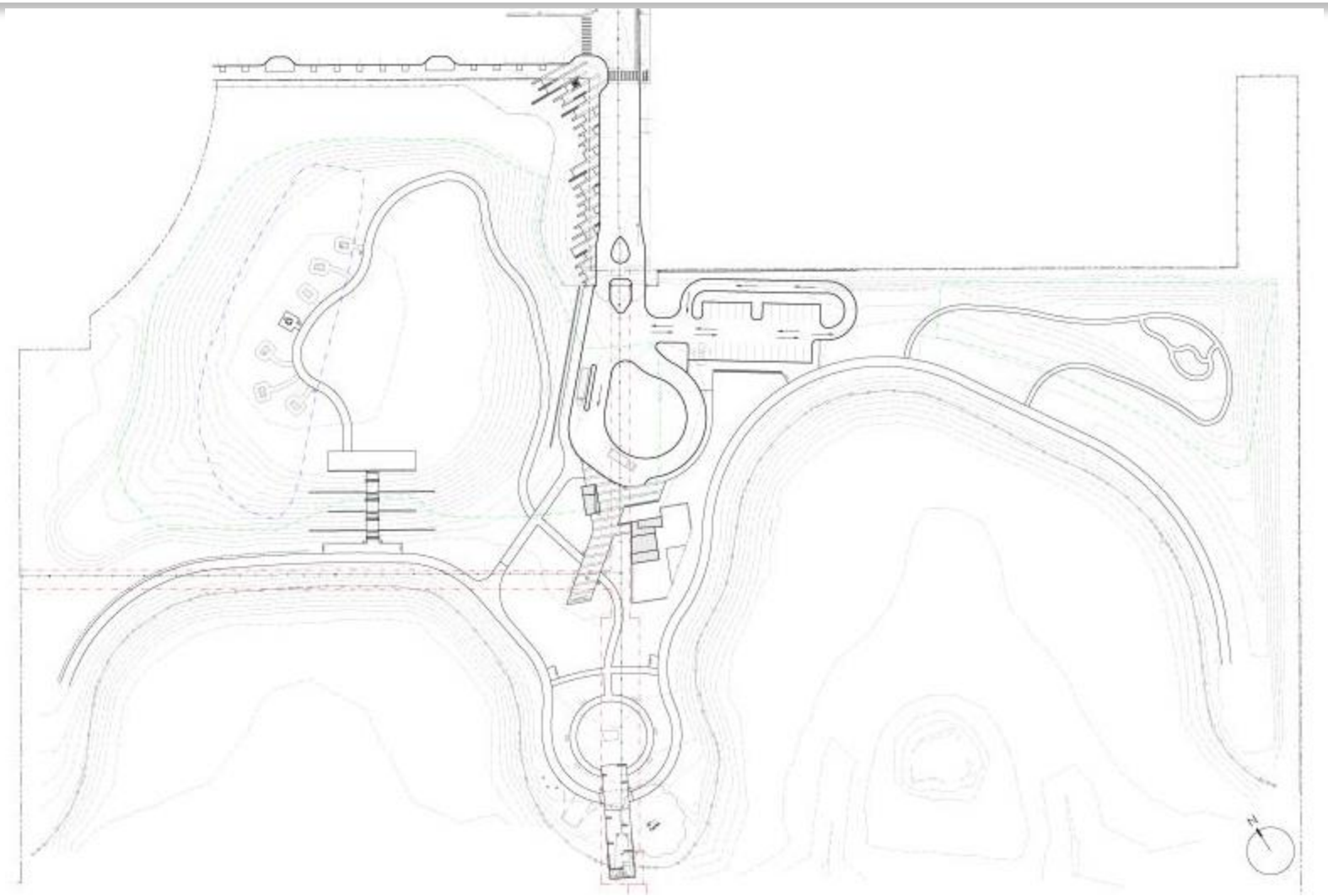
DRAWING NO.
30043.009

SHEET NO.
2 OF 3

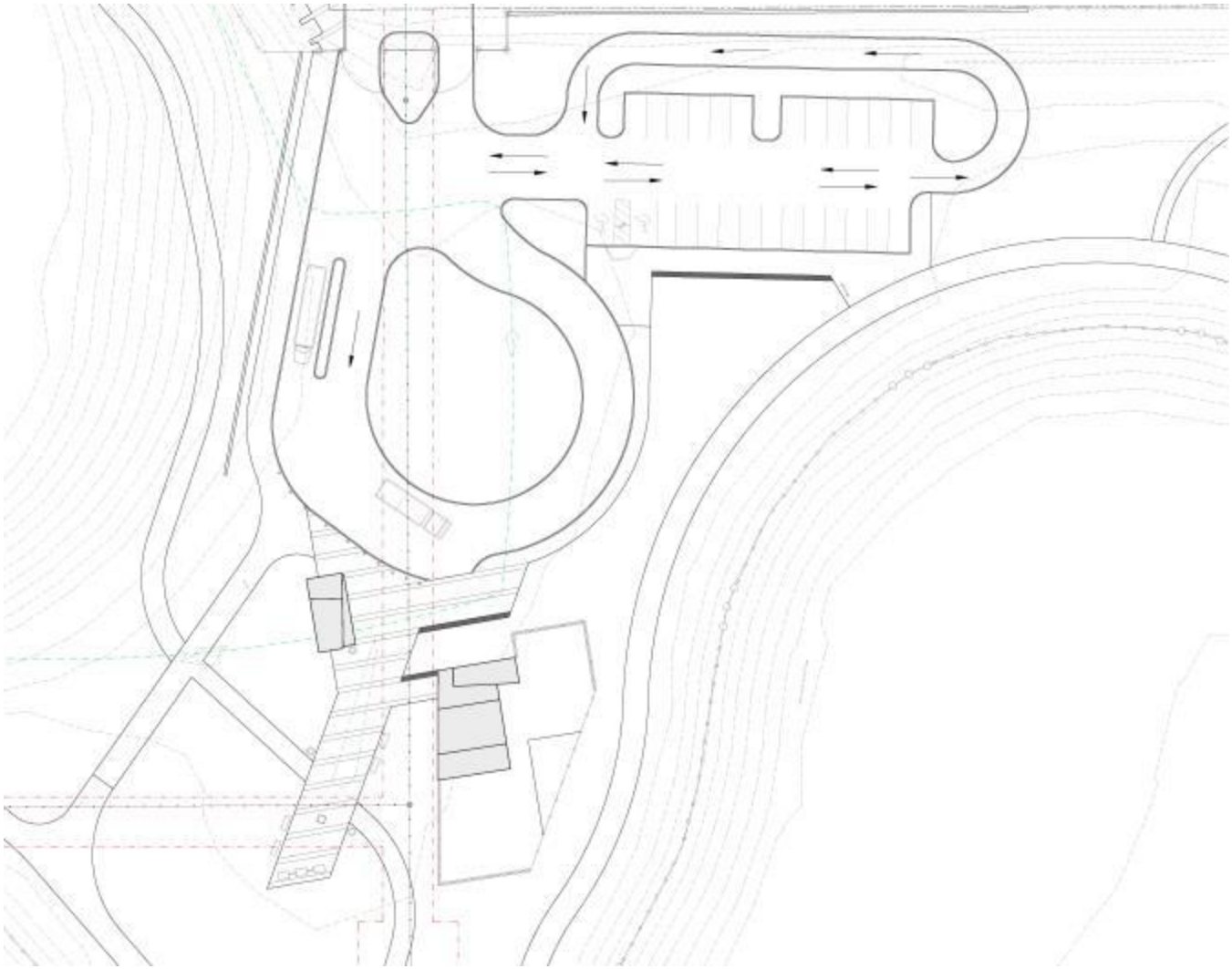
YOSEMITE SLOUGH

SFPUC Van Dyke Sewer and Griffith Street Sewer Easements

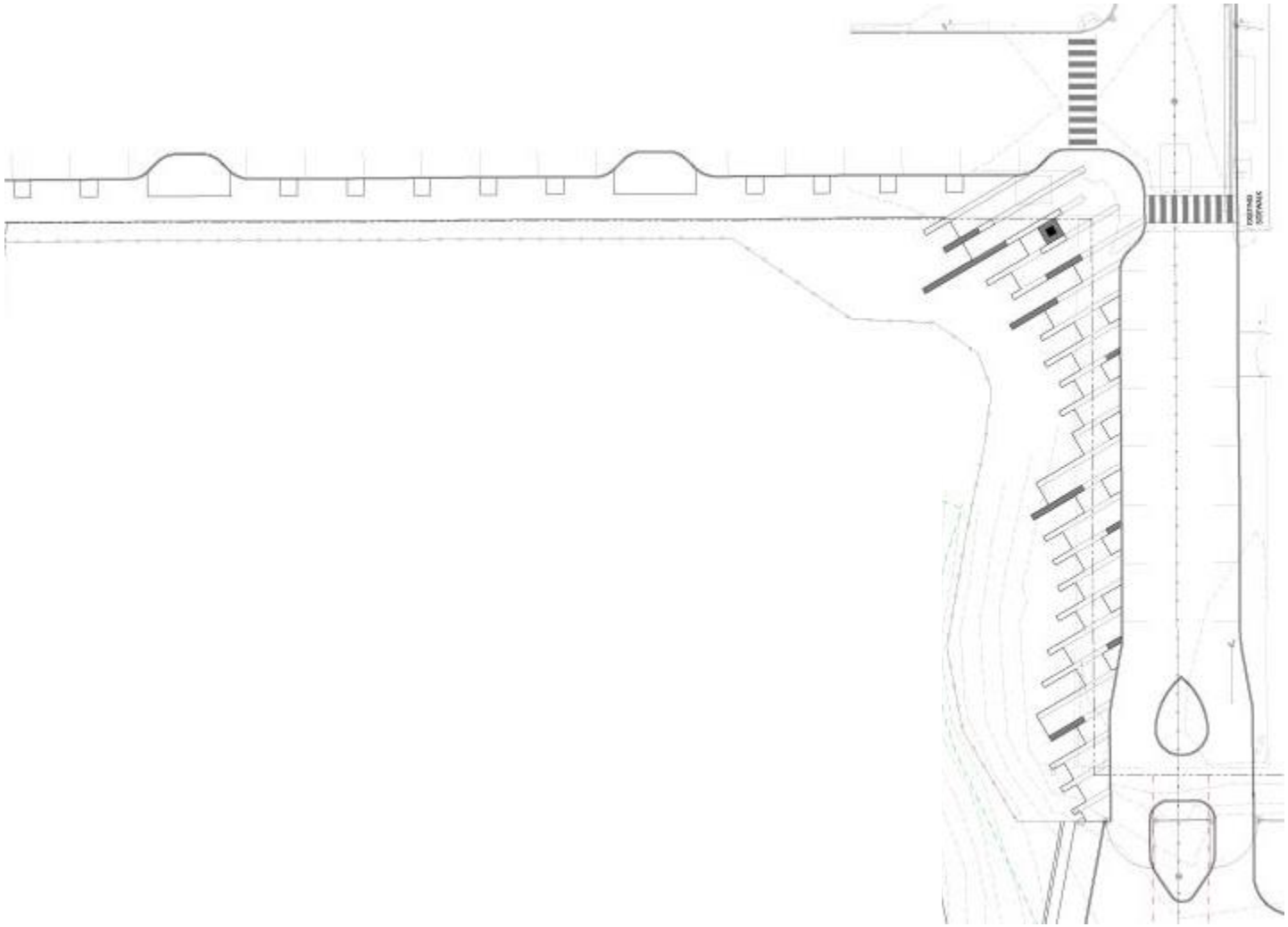
Overall Site Plan



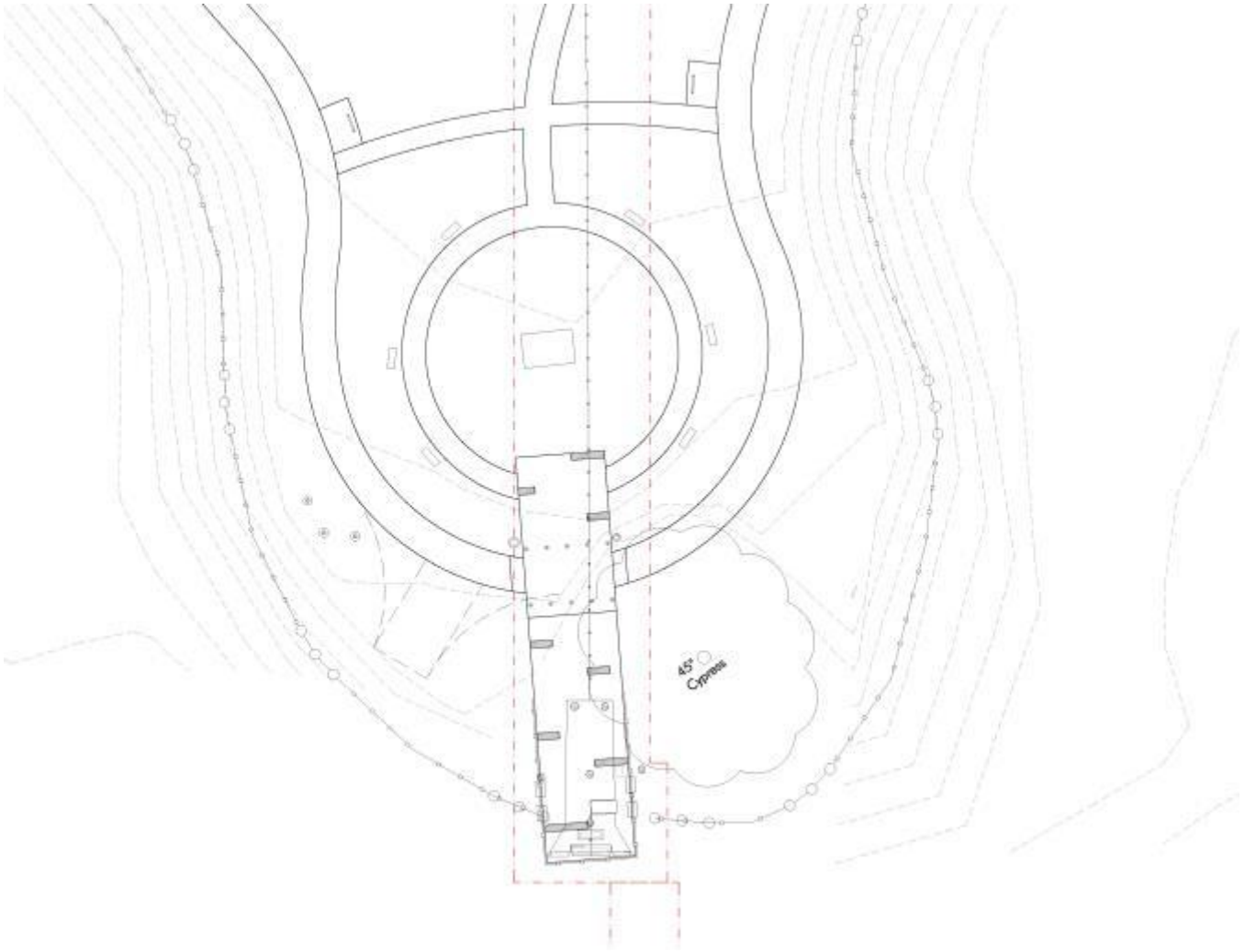
Parking and Plaza



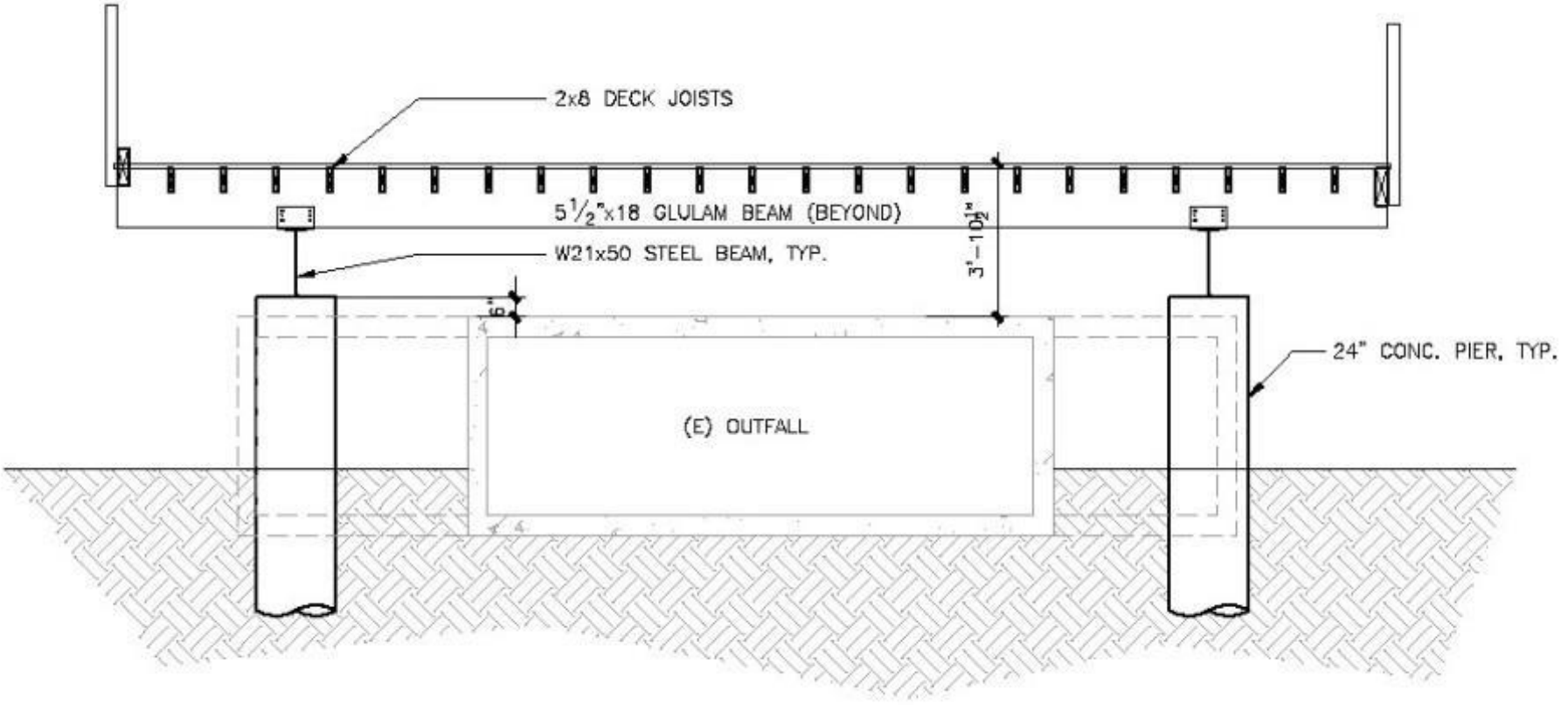
Street Improvements



Overlook

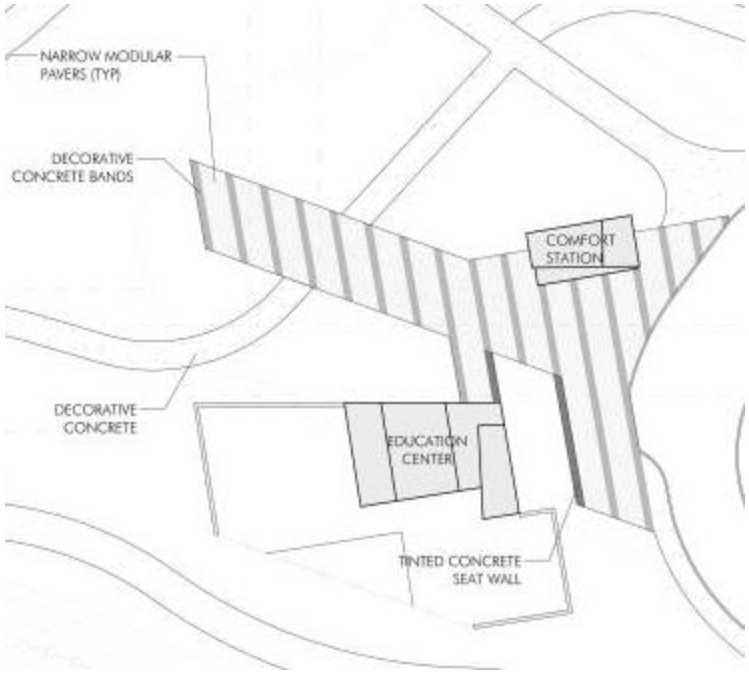


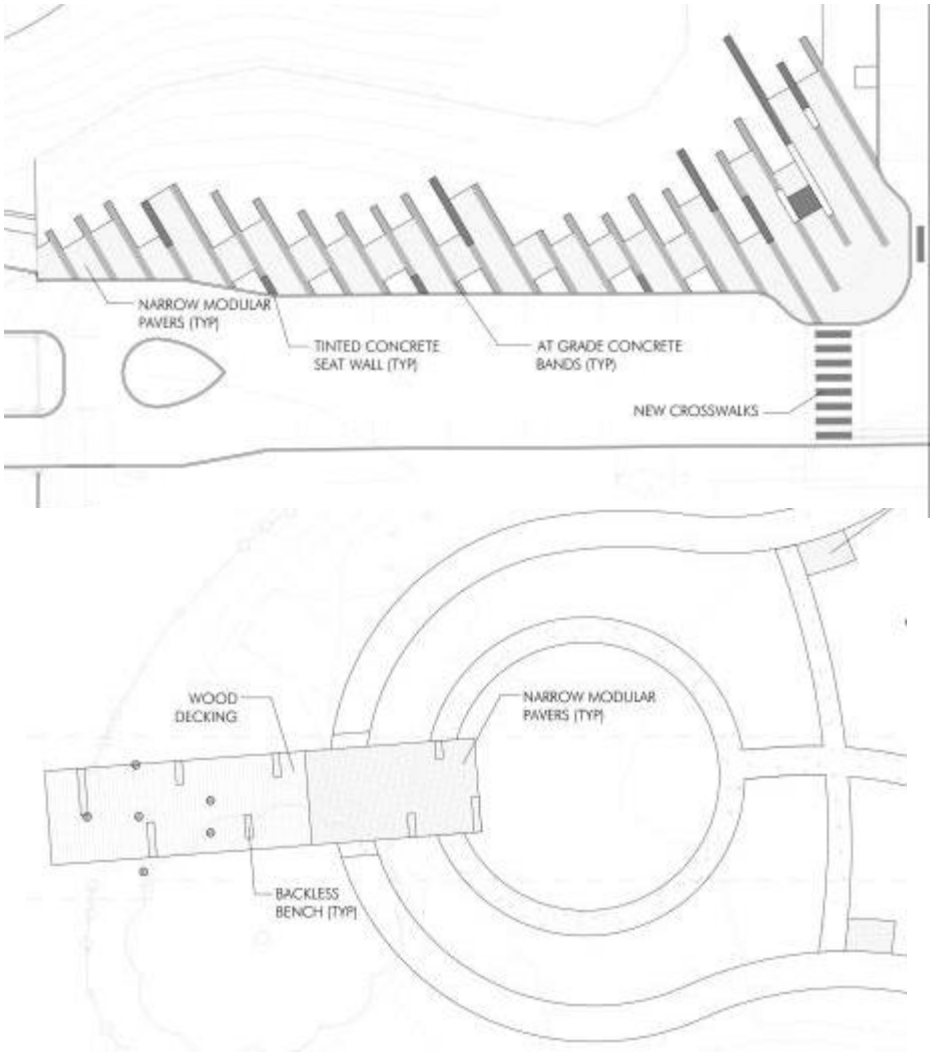
Overlook Structural Section



Mound & Picnic Area

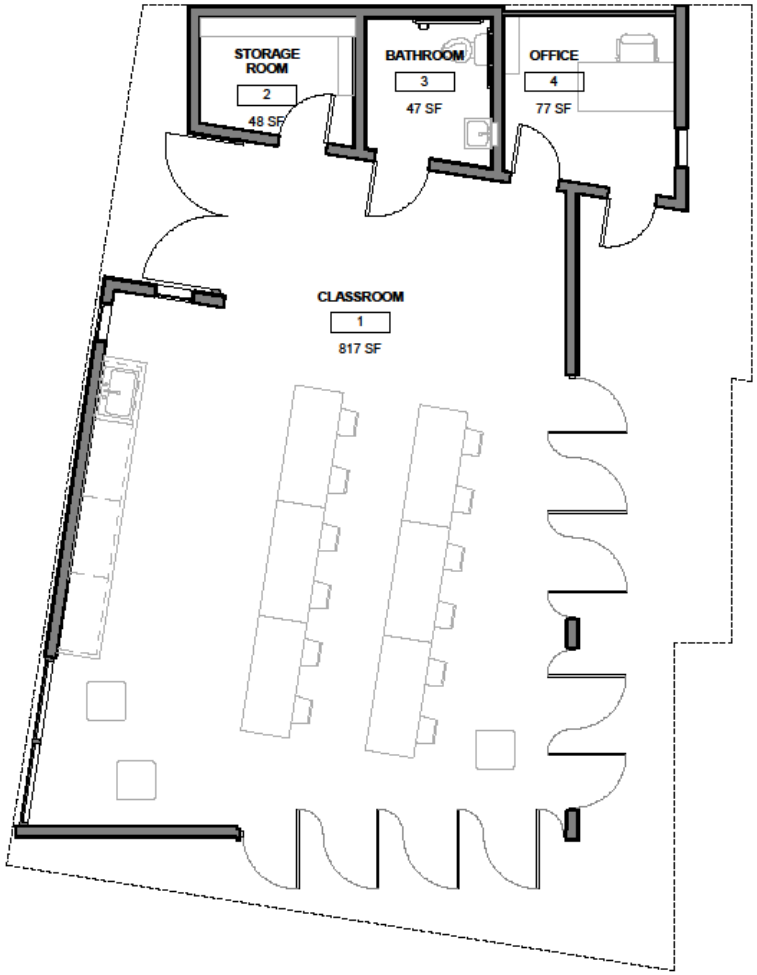
Paving Plan


NARROW MODULAR PAVERS (TYP)
DECORATIVE CONCRETE BANDS
COMFORT STATION
DECORATIVE CONCRETE
EDUCATION CENTER
TINTED CONCRETE SEAT WALL

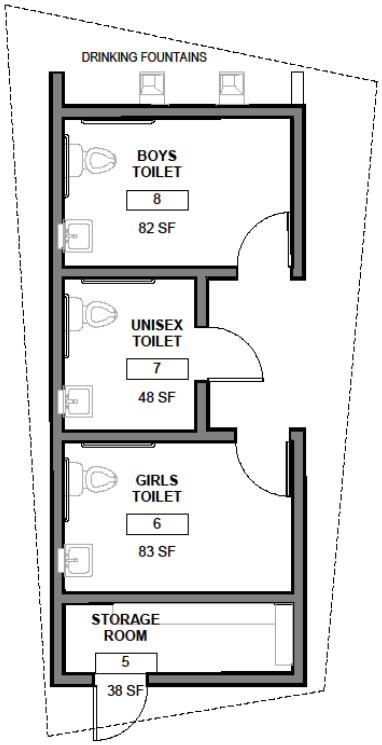

NARROW MODULAR PAVERS (TYP)
TINTED CONCRETE SEAT WALL (TYP)
AT GRADE CONCRETE BANDS (TYP)
NEW CROSSWALKS
WOOD DECKING
NARROW MODULAR PAVERS (TYP)
BACKLESS BENCH (TYP)

Planting Plan

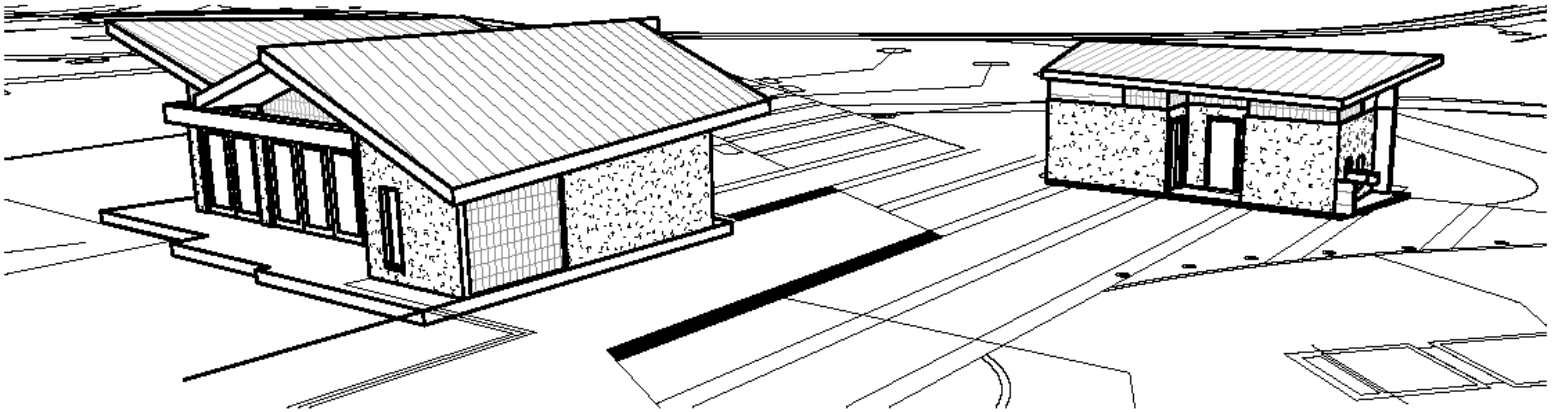
Learning Center – Floor Plan



Comfort Station – Floor Plan



Aerial View



Learning Center - Exterior View

Learning Center - Exterior View

Learning Center - Exterior View

Learning Center - Exterior View

Learning Center - Interior View

Learning Center - Interior View

Comfort Station - Exterior View

Comfort Station - Exterior View

Site Materials *(1/4)*

1 SCREENING FENCE

2 RETAIN & SEAT WALL

3 SECURITY FENCE

4 INTERPRETIVE SIGN

5 TRANSPARENCY FENCE

6 OVERLOOK RAIL

7 PRIVACY FENCE

NOT FOR CONSTRUCTION

Site Materials *(2/4)*

8 TRASH RECYCLE BIN

9 PICNIC TABLES

10 BACKLESS BENCH

11 BENCH WITH BACK

12 BIKE RACK

13 SCULPTURAL BENCH

14 KIOSK

NOT FOR CONSTRUCTION

Site Materials *(3/4)*



15 LIGHTED BOLLARDS


16 SKATEBOARD DETERRENT



17 BOLLARD OPTIONS


18 OVERLOOK DECK



19 LIGHT POLE OPTIONS


20 LOW RAIL

Site Materials *(4/4)*

21 DRINKING FOUNTAIN

22 WIND SCULPTURE

narrow modular pavers

integrally tinted concrete

pavers with poured concrete

decomposed granite

poured concrete contrast

Discussion

Amphitheater Discussion

Closing

EXHIBIT F

CALIFORNIA Water Boards

EDMUND G. BROWN JR. GOVERNOR

MATTHEW RODRIQUEZ SECRETARY FOR ENVIRONMENTAL PROTECTION

San Francisco Bay Regional Water Quality Control Board

TO: Cris Carrigan
Director of Office of Enforcement
State Water Resources Control Board

FROM: Thomas Mumley
Assistant Executive Officer
San Francisco Bay Regional Water Quality Control Board

DATE: July 14, 2016

SUBJECT: Notification of Yosemite Slough Shoreline Restoration Visitor Interpretive Center Supplemental Environmental Project (SEP); Exceptional Circumstances Justifying Exceedance of 50 Percent Limit

The San Francisco Bay Regional Water Quality Control Board (Regional Water Board) requests your approval of a proposed SEP (attached) that exceeds 50 percent of the total adjusted monetary assessment agreed to by the San Francisco Public Utilities Commission (SFPUC) in resolution of four permit violations associated with SFPUC's Oceanside Water Pollution Control Plant. This notification, as required by the State Water Board's Policy on Supplemental Environmental Projects (SEP Policy), details the SEP, the reasons why the Regional Water Board Prosecution Team supports the SEP in lieu of monetary liability payment, and the exceptional circumstances that justify exceeding the recommended percentage limit.

SEP DESCRIPTION

SFPUC has proposed to spend 100 percent of the total adjusted monetary assessment, $611,100, to fund a Visitor Interpretive Center for the Yosemite Slough Restoration Project (Restoration Project) located in the Candlestick Point State Recreation Area. The SEP will fill an approximately $0.6 million funding gap of the $4.4 million Phase II of the Restoration Project. The entire Restoration Project consists of a three-phase $28.8 million plan to create the largest contiguous wetland in San Francisco. Phase I was completed in 2012 for $12.2 million and restored 7 acres of Bayfront wetlands along the north shore of Yosemite Slough. The Restoration Project is located in the Bayview Hunter's Point community in southeastern San Francisco. This area is one of the most economically disadvantaged, historically industrialized, polluted, and park-poor areas in San Francisco. Thus, the SEP will go a long ways towards righting environmental injustices. The community and public engagement focus of the SEP will also leverage new funding sources for completion of Phase III that will involve restoration of another 11 acres of wetlands along the south shore of the slough.

The implementing party, the California State Parks Foundation, will use the SEP to fund construction of an 800-square-foot green building for the Visitor Interpretive Center. The estimated cost for these facilities is about $1.2 million out of the total $4.4 million estimated for Phase II of the Yosemite Slough Restoration Project. The remainder of Phase II includes construction of a mile of the Bay Trail, interpretive signage, picnic and viewing areas, and a

parking area. The Visitor Interpretive Center is being designed to encourage and facilitate community use of the park areas thus reconnecting the community to the wetlands and the Bay. The Visitor Interpretive Center will provide programming to educate visitors on wetland and bay ecology, brown field remediation, the value of wetlands and sea level rise adaptation. It will also host school and other youth group programs to promote recreational participation.

Settlement Value of SEP

The proposed settlement value of the SEP is $611,100, which is the full amount of the proposed monetary assessment. (At 50 percent, the SEP value would be $305,550.)

Reasons for Accepting SEP in Lieu of Monetary Liability

The SEP will greatly enhance non-contact water recreational uses of the Yosemite Slough restored wetlands, and of San Francisco Bay in general. It meets all criteria of the SEP Policy as described in the SEP proposal attached. Accepting the SEP will facilitate settlement of our enforcement action against the San Francisco Public Utilities Commission for four discharges in violation of permit requirements to San Francisco Bay, three of which occurred in the vicinity of the SEP, thus offsetting harm suffered by the community most impacted by the alleged violations.

Exceptional Circumstances That Justify Greater Than 50 Percent Limit

The SEP qualifies for 100 percent of the proposed monetary assessment for the following exception circumstances:

1. **Benefits one of San Francisco's most disadvantaged communities.**

   The SEP will further the Regional Water Board's commitment to the achievement of environmental justice by advancing the fair treatment of people of all races, cultures, and incomes through its enforcement and implementation of the Water Code and policies. The Bayview Hunters Point community, home to San Francisco's largest wastewater treatment plant and this Region's third largest treatment plant, is one of City's most racially diverse and economically disadvantaged communities. The City reports that the minority population percentage of the community is more than 30 percent higher than it is for San Francisco and the State. Approximately 19 percent of families and 21 percent of individuals in the neighborhood live below the federal poverty level, which is more than double the citywide rate and meaningfully higher (5%) than the statewide rate. This community has disproportionately borne the brunt of the consequences of industrial activities in San Francisco. For example, although the area comprises only 8 percent of the City's total landmass, it is home to one-third of San Francisco's hazardous waste sites and more than two-thirds of the City's pollution sources, according to the San Francisco Department of Public Health.

2. **Leverages other, diverse funding sources for Phase III that will restore another 11 acres of wetlands.**

   The outreach and engagement focus of the Visitor Interpretive Center, along with other Phase II highly visible features (e.g., interpretive center, signage, connection to Bay Trail), will help to inspire momentum for additional funding sources for Phase III of the Restoration Project.

3. **Contributes to restoring and creating wetlands in a highly urban environment.**

   San Francisco is the second most densely populated city in the United States. Unlike many other areas in the region, virtually all of San Francisco's shoreline has been armored, developed, or is otherwise unavailable for wetlands creation. Wetlands provide myriad benefits including improving water quality, serving as buffers against storms and adaptation to sea level rise (including high tide shelter), and providing habitat to aquatic life and birds.

There is wide support for the Yosemite Slough Restoration Project of which this SEP should be an integral part. The California State Parks Foundation has received support through past funding for the Restoration Project from the U.S. Environmental Protection Agency, San Francisco Estuary Partnership, California State Coastal Conservancy, Richard & Rhoda Goldman Foundation, Bay Area Rapid Transit District, S.D. Bechtel, Jr. Foundation, Wildlife Conservation Board, Bay Conservation and Development Commission, The Barkley Fund, San Francisco Foundation, Association of Bay Area Governments Bay Trail, Hearst Foundations, Hellman Foundation, and other private donors.

We look forward to your decision on the SEP at 100 percent of the proposed monetary assessment. If you have any questions on this matter, please feel free to contact Bill Johnson at bill.johnson@waterboards.ca.gov or (510) 622-2354.

Attachment: [omitted, see Exhibit E]
Yosemite Slough Shoreline Restoration Visitor Interpretive Center SEP Proposal

Copy to:
Bruce Wolfe, Executive Officer, San Francisco Bay Regional Water Board
Michael Carlin, Deputy General Manager, San Francisco Public Utilities Commission
Elizabeth Goldstein, President, California State Parks Foundation