

THIS PRINT COVERS CALENDAR ITEM NO.:

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Parking and Traffic

BRIEF DESCRIPTION:

Approving various routine traffic and parking modifications as consent calendar items per the attached resolution.

SUMMARY:

- Under Proposition A, the SFMTA Board of Directors has authority to adopt parking and traffic regulations changes

ENCLOSURES:

1. SFMTAB Resolution

APPROVALS:

DATE

DIRECTOR OF DIVISION
PREPARING ITEM _____

EXECUTIVE DIRECTOR/CEO _____

SECRETARY _____

ADOPTED RESOLUTION
BE RETURNED TO _____ Maxine Louie

ASSIGNED SFMTAB CALENDAR DATE: _____

PURPOSE

To approve various routine traffic and parking modifications.

Benefit to the SFMTA 2008 – 2012 Strategic Plan:

GOAL

Goal 1 - Customer Focus: To provide safe, accessible, reliable, clean and environmentally sustainable service and encourage the use of auto-alternative modes through the Transit First Policy

Objective 1.1 - Improve safety and security across all modes of transportation

Goal 2 - System Performance: To get customers where they want to go, when they want to be there

Objective 2.4 - Reduce congestion through major corridors

Objective 2.5 - Manage parking supply to align with SFMTA and community goals

ITEMS:

- A. ESTABLISH - RESIDENTIAL PERMIT PARKING AREA "J" (2-HOUR TIME LIMIT, 7 AM - 9 PM, MONDAY THROUGH FRIDAY) - 1775 Haight Street (includes specific address only). Signs will not be posted on the street, but resident will be eligible for permits). **PH 2/13/09 Requested by Resident**
- B. ESTABLISH - RESIDENTIAL PERMIT PARKING AREA "S / Z" (BUFFER ZONE) (2-HOUR TIME LIMIT, 8 AM TO 9 PM, MONDAY THROUGH FRIDAY) - Church Street, both sides, between 22nd and 23rd Streets (1000 Block). **PH 2/13/09 Requested by Resident**
- C. ESTABLISH - TOW-AWAY, NO STOPPING ANYTIME - 26th Street, north side, from Wisconsin Street to 45 feet westerly. **PH 2/13/09 Requested by SFMTA**

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, The San Francisco Municipal Transportation Agency has received a request, or identified a need for traffic modifications as follows:

- A. ESTABLISH - RESIDENTIAL PERMIT PARKING AREA "J" (2-HOUR TIME LIMIT, 7 AM - 9 PM, MONDAY THROUGH FRIDAY) - 1775 Haight Street (includes specific address only). Signs will not be posted on the street, but resident will be eligible for permits).
- B. ESTABLISH - RESIDENTIAL PERMIT PARKING AREA "S / Z" (BUFFER ZONE) (2-HOUR TIME LIMIT, 8 AM TO 9 PM, MONDAY THROUGH FRIDAY) - Church Street, both sides, between 22nd and 23rd Streets (1000 Block).
- C. ESTABLISH - TOW-AWAY, NO STOPPING ANYTIME - 26th Street, north side, from Wisconsin Street to 45 feet westerly.

WHEREAS, The public has been notified about the proposed modifications and has been given the opportunity to comment on those modifications through the public hearing process; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors, upon recommendation of the Executive Director/CEO and the Director of Parking and Traffic, does hereby approve the changes.

I hereby certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of _____

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

THIS PRINT COVERS CALENDAR ITEM NO. : _____

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Finance and Information Technology

BRIEF DESCRIPTION:

Authorizing the San Francisco Municipal Transportation Agency (SFMTA), through its Executive Director/CEO (or his designee), to accept and expend federal American Recovery and Reinvestment Act (ARRA) funds, in an amount not to exceed \$90 million, for various SFMTA transit rehabilitation projects approved by the Metropolitan Transportation Commission (MTC) on February 25, 2009.

SUMMARY:

- MTC requested SFMTA to develop a two-tiered list of transit rehabilitation projects. Tier 1 projects (\$67,195,979) are essentially guaranteed funding. Tier 2 projects (\$17,458,767) are contingency projects that could receive funding if other transit agency projects cannot meet ARRA's and MTC's timely use of funds provisions. While total funding from MTC's transit rehabilitation program is \$84,650,746, the \$90,000,000 accept and expend amount allows for modest expansion of the Tier 1 and Tier 2 lists should new funding arise.
- Other ARRA funds could become available to SFMTA for programs and amounts to be determined. Staff will request accept and expend authorization as future ARRA funds become available.
- ARRA transit rehabilitation funds are subject to strict timely use of funds provisions, including award of contracts by November 30, 2009. On the other hand, there are no local match requirements for this program.

ENCLOSURES:

1. SFMTAB Resolution
2. Exhibit A: Tier 1 and Tier 2 Project List

APPROVALS:

DATE

DIRECTOR OF DIVISION

PREPARING ITEM _____

FINANCE

EXECUTIVE DIRECTOR/CEO _____

SECRETARY _____

ADOPTED RESOLUTION BE RETURNED TO: Joel C. Goldberg, 1 South Van Ness Ave., 8th Floor

ASSIGNED SFMTAB CALENDAR DATE: _____

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Purpose

SFMTA Board approval of this resolution would authorize the SFMTA, through its Executive Director/CEO (or his designee), to accept and expend ARRA funds for Muni infrastructure and systems.

Goal

The SFMTA will further the following goal of the Strategic Plan through acceptance of these funds:

- Goal 4 - Financial Capacity: To ensure financial stability and effective resource utilization.

Objective 4.2 - Ensure efficient and effective use of resources.

Description

Prior to the enactment of ARRA, MTC issued a call for projects to the Bay Area's transit agencies. Each agency was given funding targets with SFMTA's original funding target pegged at \$104.8 million. Agencies were given broad latitude to prioritize their capital reinvestment needs so long as projects could be obligated (grants awarded) and contracts executed quickly.

Now that ARRA has been enacted, MTC has reduced its funding targets because ARRA transit funds are lower than contemplated in an earlier House bill and because \$70 million is being re-directed from MTC's transit rehabilitation program to BART's Oakland Airport Connector project.

Per MTC instructions, SFMTA subsequently developed a two-tiered list of transit rehabilitation projects as follows (listed as Exhibit A):

- Tier 1 funding of \$67,195,979: Tier 1 projects are essentially guaranteed funding.
- Tier 2 target of \$17,458,767: Tier 2 projects are contingency projects that could receive funding if other transit agency projects cannot meet ARRA's and MTC's timely use of fund provisions.

Total funding from MTC's transit rehabilitation program is \$84,650,746. The \$90,000,000 accept and expend amount allows for modest expansion of the Tier 1 and Tier 2 lists should additional funding arise.

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ARRA funds are subject to the following provisions in addition to established federal rules:

- ARRA requires that 50 percent of the ARRA funds be awarded within 180 days from when the FTA apportions them. These apportionments should occur by the time this Board acts. The remaining funds must be obligated (awarded) within one year. All funds expire if not obligated by September 20, 2010, or the funds may be redirected to other projects.
- MTC, however, will compress the "use it or lose it" period so that if one project slips, its funds can be redirected to other projects either at SFMTA or elsewhere within the Bay Area. For the subject transit rehabilitation projects, MTC has imposed a deadline of May 31, 2009 to award the grants and November 30, 2009 for transit agencies to award contracts using ARRA funds.
- No local match will be needed.
- Transparency: reporting requirements relating to contracting, project milestones and other key data will be posted on federal websites.

MTC also launched a rehabilitation program for local streets and roads projects, giving the Bay Area's Congestion Management Agencies (CMAs) guidance and ARRA funding targets. The San Francisco County Transportation Authority (SFCTA), San Francisco's CMA, issued a call for projects for up to \$13 million of ARRA funds. SFMTA submitted four projects to SFCTA, all of which were rejected. The projects were:

1. Enhanced street signage, \$0.5 million.
2. Traffic Signal Improvements and Accessible Pedestrian Signals, \$7.5 million.
3. Bicycle Lane restriping, \$1.0 million, in conjunction with DPW
4. Completion of bicycle network, near-term, \$10.0 million.

In addition to the transit and road rehabilitation programs, there will be other ARRA funding opportunities. Potential funding programs within ARRA include the following:

1. Transportation Energy (FTA program)
2. Transportation Security (FTA program)
3. Capital Investment/New Starts (FTA program)
4. Competitive Discretionary (State program using federal funds)
5. Transportation Enhancements (State and/or MTC program using federal funds). Among the 12 categories are pedestrian and bicycle projects and related safety programs; landscaping and scenic beautification; historic preservation; rehabilitation and operation of historic transportation buildings, structures, or facilities; and establishment of transportation museums.
6. High Speed and Intercity Rail Grants

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7. Diesel Emission Reduction
8. Transit and Port Security Grants (funded by FEMA)
9. Other Programs, for example, Broadband and Wireless Data, Development, and Deployment; and Energy Efficiency

Additional funding opportunities for SFMTA may come from ARRA's Highway Funds, for which transit projects are eligible, because of the provision stating that "Priority (is) given to projects that can be completed in 3 years and are located in economically distressed areas as defined under the Public Works and Economic Development Act of 1965."

As ARRA-related funding opportunities solidify, staff will come back to the Board requesting specific authorization for the Executive Director/CEO to accept and expend additional ARRA funds.

ALTERNATIVES CONSIDERED

Not applicable.

FUNDING IMPACT

ARRA funds require no local match. If projects cannot be delivered in a timely manner, alternative funding will need to be sought.

OTHER APPROVALS RECEIVED OR STILL REQUIRED

No further approvals are needed for SFMTA's transit rehabilitation projects.

The City Attorney's Office has reviewed this calendar item.

RECOMMENDATION

Staff recommends that this Board approve the attached resolution authorizing the SFMTA, through its Executive Director/CEO (or his designee), to accept and expend ARRA funds, in an amount not to exceed \$90 million, for various SFMTA transit rehabilitation projects approved by the MTC on February 25, 2009.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, The American Recovery and Reinvestment Act of 2009 (ARRA) was signed into law on February 17, 2009; and

WHEREAS, The Metropolitan Transportation Commission (MTC), the Metropolitan Planning Organization (MPO) for the nine county San Francisco Bay Region, initiated Bay Area-wide solicitations for transit rehabilitation projects that could meet ARRA's timely use of fund and job creation intentions; and

WHEREAS, MTC gave each Bay Area transit agency a target amount of ARRA funds as well as guidance for each agency to develop a list of high priority projects that could be obligated and put under contract quickly; and

WHEREAS, Pursuant to ARRA, and any regulations and/or guidance promulgated under the authority of ARRA, eligible project sponsors wishing to receive ARRA funds for a project must submit applications to MTC, as the MPO, for review and inclusion in the MTC's Transportation Improvement Program (TIP); and

WHEREAS, ARRA funds for transit projects are provided through Federal Transit Administration (FTA) Urbanized Area Formula and Fixed Guideway Programs (23 U.S.C. Sections 5307 and 5309); and

WHEREAS, The San Francisco Municipal Transportation Agency (SFMTA) is an eligible project sponsor for ARRA funds; and

WHEREAS, The SFMTA has submitted applications to MTC for ARRA transit rehabilitation funding in an amount not to exceed \$90 million for the projects listed on the attached Exhibit A for the MTC Regional ARRA Program (MTC Resolution No. 3885); and

WHEREAS, As part of the application for ARRA funding, MTC requires a resolution adopted by the responsible implementing agency stating the following:

(1) that SFMTA understands that the ARRA funding is fixed at the programmed amount, and therefore any cost increase cannot be expected to be funded with additional ARRA or other MTC-programmed funds; and

(2) that SFMTA projects will comply with the procedures specified in MTC's Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised) and with all project-specific requirements as set forth in MTC's Regional ARRA Program (MTC Resolution No. 3885); and

(3) that SFMTA projects will comply with all the project-specific requirements as set forth in the federal ARRA and appropriate applicable regulations or guidance; and

WHEREAS, Under Charter Section 8A.102(b)12, the SFMTA has exclusive authority to apply

for, accept and expend federal, state, or other grants for Agency purposes; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors authorizes the San Francisco Municipal Transportation Agency, through its Executive Director/CEO (or his designee), to accept and expend ARRA funds for transit rehabilitation stimulus projects, in an amount not to exceed \$90 million, which amount will be determined by ARRA and by state and regional priorities, and subject to conditions and limitations set forth by the granting agencies; and be it further

RESOLVED, That the SFMTA Board of Directors authorizes the Executive Director/CEO (or his designee) to execute any and all agreements necessary to complete the receipt of ARRA funds and to furnish whatever additional information may be requested by federal, state or local agencies in connection with receipt of ARRA funds, including submitting applications for review and inclusion in MTC's TIP; and be it further

RESOLVED, That SFMTA understands that the ARRA funding is fixed at the programmed amount, and that SFMTA does not expect any cost increases to be funded with additional ARRA or other MTC-programmed funds; and be it further

RESOLVED, That SFMTA understands the funding deadlines associated with ARRA funds and will comply with the procedures specified in MTC's Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised) and with all project-specific requirements as set forth in MTC's Regional ARRA Program (MTC Resolution No. 3885); and be it further

RESOLVED, That SFMTA's projects will be implemented as described in completed applications and, if approved, for the amount programmed in the MTC federal TIP; and be it further

RESOLVED, That SFMTA's projects will comply with all the project-specific requirements as set forth in the ARRA and appropriate applicable regulations or guidance; and be it further

RESOLVED, That the SFMTA Board of Directors authorizes the Executive Director/CEO or his designee to transmit a copy of this resolution to MTC in conjunction with the filing of all grant applications relating to ARRA funding.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of _____.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

Exhibit A**SFMTA Transit System Preservation Projects**

American Recovery and Reinvestment Act of 2009

Adopted by MTC on February 25, 2009

Project Description	Tier 1 Funding	Tier 2 <i>Contingency</i> Funding
LRV Truck Rebuild Program - Phase I	-	\$13,158,767
LRV Doors and Steps Reconditioning	15,000,000	
LRV Collision Repairs	18,000,000	
Motor Coach Component Life-Cycle Rehabilitation	16,055,979	
Central Control & Communications Interim Line Management Center	400,000	
ATCS Inductive Loop Cable In The Muni Metro Subway	1,000,000	
Capital Project Controls Software & Support- <i>as funding allows</i>	-	-
Capital Planning and Grant Management Application	250,000	
Bus Yard Workstation Station Replacement	100,000	
Cable Car Kiosks	350,000	
Change Machines	40,000	
Miscellaneous Preventive Maintenance of Track Switches	1,000,000	
Procurement of 67 Ticket Vending Machines (TVMs) for installation throughout SFMTA/San Francisco	11,000,000	
Digital Voice Announcement System for Metro LRVs		4,300,000
Infrastructure & Facility Enhancement & Preventive Maintenance	4,000,000	
Total	\$ 67,195,979	\$17,458,767

THIS PRINT COVERS CALENDAR ITEM NO. : 10.4

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Finance and Information Technology

BRIEF DESCRIPTION:

Authorizing the Executive Director/CEO to execute a Memorandum of Understanding (the "Transfer MOU") between the San Francisco Municipal Transportation Agency ("SFMTA") and the San Francisco Public Utilities Commission ("SFPUC") for the jurisdictional transfer of certain portions of City real property located at the Phelan Bus Loop.

SUMMARY:

- The City owns real property located near the intersection of Phelan Avenue and Ocean Avenue in San Francisco, California (the "City Property").
- The SFMTA has jurisdiction over a 6,264 square foot portion of the City Property (the "SFMTA Portion") and the SFPUC has jurisdiction over a 5,835 square foot portion of the City Property (the "SFPUC Portion").
- A jurisdictional transfer of the SFPUC Portion from SFPUC to the SFMTA would provide the SFMTA with a key piece of the City Property needed for the SFMTA's proposed Phelan Bus Loop Project, and a jurisdictional transfer of the SFMTA Portion from the SFMTA to the SFPUC would provide the SFPUC with a key piece of the City Property needed by the SFPUC's proposed property exchange with the San Francisco Community College District.
- On February 10, 2009, by Resolution No. 09-0030, the SFPUC authorized its General Manager to execute the Transfer MOU on behalf of the SFPUC.

ENCLOSURES:

1. Resolution
2. Exhibit A
3. Transfer MOU
4. Exhibit B (Pipeline MOU)

APPROVALS:

DATE

DIRECTOR OF DIVISION
PREPARING ITEM

FINANCE

EXECUTIVE DIRECTOR/CEO

SECRETARY

ADOPTED RESOLUTION Jason Gallegos, SFMTA Real Estate
BE RETURNED TO

ASSIGNED MTAB CALENDAR DATE: _____

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PURPOSE

Authorize the Executive Director/CEO of the SFMTA to execute a Memorandum of Understanding which will allow the SFMTA to transfer jurisdiction of a 6,264 square foot portion of City Property to the SFPUC and will also allow the SFPUC to transfer jurisdiction of over a 5,835 square foot portion of the City Property to the SFMTA and to request the City's Director of Property to prepare and submit legislation to the Mayor and Board of Supervisors to effect this exchange of jurisdiction by the SFMTA and the SFPUC.

GOAL

This item will meet the following goals and objectives of the SFMTA Strategic Plan:

- Goal 3 - External Affairs – Community Relations: To improve the customer experience, community value, and enhance the image of SFMTA as well as ensure SFMTA is a leader in the industry.
 - 3.1 Improve economic vitality by growing relationships with businesses, community, and stakeholder groups.
 - 3.4 Enhance proactive participation and cooperatively strive for improved regional transportation.
- Goal 4 - Financial Capacity: To ensure financial stability and effective resource utilization.
 - 4.2 Ensure efficient and effective use of resources.

DESCRIPTION

The City owns real property located near the intersection of Phelan Avenue and Ocean Avenue in San Francisco, California (the "City Property"). The SFMTA has jurisdiction over a 6,264 square foot portion of the City Property (the "SFMTA Portion") and the SFPUC has jurisdiction over a 5,835 square foot portion of the City Property (the "SFPUC Portion"), both as depicted on the attached Exhibit A. A jurisdictional transfer of the SFPUC Portion from the SFPUC to the SFMTA would provide the SFMTA with a key piece of the City Property needed by the SFMTA for its proposed future Phelan Bus Loop Project, a replacement bus loop and related improvements on the City Property (collectively, the "Replacement Bus Loop Improvements"), which will be partially located on the SFPUC Portion. A jurisdictional transfer of the SFMTA Portion from the SFMTA to the SFPUC would provide the SFPUC with a key piece of the City Property needed by the SFPUC for its proposed property exchange with the San Francisco Community College District ("City College") pursuant to an Agreement for the Exchange and Conveyance of Real Estate previously approved by the SFPUC on December 9, 2008, provided that the Mayor and Board of Supervisors duly approve of such agreement.

The SFMTA and the SFPUC wish to cause these transfers (the "Transfers") to occur pursuant to the terms and conditions specified in the attached Memorandum of Understanding (the "Transfer MOU"). On February 10, 2009, by Resolution No. 09-0030, the SFPUC authorized its General Manager to execute the Transfer MOU, on behalf of the SFPUC, to allow for the Transfers. In addition, the Transfers would further facilitate cooperative City governance and further progress toward the implementation of the Balboa Park Station Area Plan.

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The City's Director of Property has notified the SFMTA and the SFPUC that the fair market value of the SFMTA Portion is considered to be equivalent to the fair market value of the SFPUC Portion. If the Board of Supervisors duly approves the Transfers and the Transfers occur, the SFMTA agrees that the consummation of the transfer of the SFPUC Portion to the SFMTA shall be sufficient consideration for its agreement to the transfer of the SFMTA Portion to the SFPUC, and SFPUC agrees that the consummation of the transfer of the SFMTA Portion to the SFPUC shall be sufficient consideration for its agreement to the transfer of the SFPUC Portion to the SFMTA. Each party agrees that no additional consideration shall be owed to the other party with respect to the Transfers.

The SFMTA is not actively using any portion of the SFMTA Portion and the SFPUC is only using a portion of the SFPUC Portion for the installation and operation of pipelines, as further described in that certain Memorandum of Understanding between SFMTA and SFPUC dated for references purposes as of February 13, 2007, attached as Exhibit B (the "Pipeline MOU"). SFMTA acknowledges that SFPUC currently operates certain pipelines and intends to install additional pipelines beneath the surface of the SFPUC Portion, as further described in the Pipeline MOU. The SFPUC Portion is subject to SFPUC's rights to install and operate pipelines and the SFMTA has determined that such rights will not interfere with the SFMTA's intended use of the SFPUC Portion. If the Transfers occur, the SFMTA agrees to accept jurisdiction of the SFPUC Portion subject to the SFPUC's and the SFMTA's rights under the Pipeline MOU.

For the actions contemplated herein, the SFMTA relies upon the Balboa Park Station Area Plan Environmental Impact Report (SCH# 2006072114) pursuant to the requirements the California Environmental Quality Act, California Public Resources Code Sections 21000 et seq. ("CEQA"), and the Guidelines for Implementation of CEQA, 14 California Code of Regulations Sections 15000 et seq. (the "CEQA Guidelines"). On December 4, 2008, the San Francisco Planning Commission adopted Motion No. 17774 certifying this document as complete along with other required findings. On December 4, 2008, the Planning Commission also adopted Resolution No. 17775 approving environmental findings, including a statement of overriding benefits and a mitigation monitoring and reporting program. Copies of the Environmental Impact Report, the Planning Commission Motion, and the Planning Commission Resolution, including the environmental findings, are on file with the SFMTA Board Secretary.

Additional Background

The Phelan Loop Development Project has been an active project under consideration in the Transportation Planning and Development Division for over a decade. This project is the result of a community-driven process branded as "Better Neighborhoods" and involves many stakeholders outside of the SFMTA, including the community, City College, and the following City departments: City Planning, the Mayor's Office of Economic and Workforce Development, the Mayor's Office of Housing, the SFPUC, and the San Francisco Fire Department. Unlike most projects, it will not improve Muni's operations capability. However, its completion is key to catalyzing major revitalization of the Ocean Avenue commercial corridor and should be viewed by the community as a major contribution from SFMTA in facilitating the implementation of smart growth strategies such as "Transit Oriented Development" where there are an effective mix of land uses, using land and infrastructure efficiently, creating walkable neighborhoods that are attractive and distinctive, providing transportation and housing choices, and encouraging community and stakeholder collaboration in development decisions designed to attract and retain development, residents, and jobs. It should be reported that the larger Phelan Bus Loop Project still maintains a financial feasibility gap of approximately \$4-5 million. Future progress towards implementation of the comprehensive Phelan Loop development is contingent on funding mitigation measures and other future agreements.

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ALTERNATIVES CONSIDERED

No other alternatives have been considered, as the authorization to execute the Transfer MOU would facilitate cooperative City governance while fulfilling other SFMTA goals and objectives.

FUNDING IMPACT

The proposed Transfer MOU would not commit SFMTA funds. No additional consideration shall be owed to SFPUC with respect to the Transfers.

OTHER APPROVALS RECEIVED OR STILL REQUIRED

The City Attorney's Office has reviewed this Calendar Item and the Transfer MOU.

The Transfer MOU will require the approval of the Board of Supervisors.

RECOMMENDATION

Staff recommends that the SFMTA Board of Directors take the following action:

Authorize and direct the Executive Director/CEO of the SFMTA to execute the Transfer MOU on behalf of the SFMTA.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, The City and County of San Francisco owns real property near the intersection of Phelan Avenue and Ocean Avenue, San Francisco, California (the "City Property");

WHEREAS, SFMTA has jurisdiction over a portion of the City Property comprised of approximately 6,264 square feet (the "SFMTA Portion"); and

WHEREAS, SFPUC has jurisdiction over a portion of the City Property comprised of approximately 5,835 square feet (the "SFPUC Portion"); and

WHEREAS, SFMTA wishes to construct a replacement bus loop and related improvements on the City Property (collectively, the "Replacement Bus Loop Improvements"), which will be partially located on the SFPUC Portion; and

WHEREAS, SFPUC wishes to acquire the SFMTA Portion to transfer to the San Francisco Community College District ("City College") as part of an Agreement for the Exchange and Conveyance of Real Estate between SFPUC and City College previously approved by the SFPUC on December 9, 2008, provided the City's Mayor and Board of Supervisors duly approve such agreement; and

WHEREAS, SFMTA is not actively using any portion of the SFMTA Portion and the SFPUC is only using the SFPUC Portion for the installation and operation of pipelines, as further described in that certain Memorandum of Understanding between SFMTA and SFPUC dated for references purposes as of February 13, 2007; and

WHEREAS, SFMTA wishes that jurisdiction of the SFMTA Portion be transferred to the SFPUC (the "SFMTA Jurisdictional Transfer") and the SFPUC wishes that jurisdiction of the SFPUC Portion be transferred to SFMTA (the "SFPUC Jurisdictional Transfer"), subject to the terms and conditions specified in a Memorandum of Understanding between SFMTA and SFPUC (the "Transfer MOU"); and

WHEREAS, The City's Director of Property has notified SFMTA and SFPUC that the fair market value of the SFMTA Portion is considered to be equivalent to the fair market value of the SFPUC Portion; and

WHEREAS, SFMTA and the SFPUC agree that the consummation of the SFMTA Jurisdictional Transfer and the SFPUC Jurisdictional Transfer (together, the "Transfers") shall be sufficient consideration for their agreement to the Transfers; and

WHEREAS, For the actions contemplated herein, the SFPUC relies upon the Balboa Park Station Area Plan Environmental Impact Report (SCH# 2006072114) pursuant to the requirements the California Environmental Quality Act, California Public Resources Code Sections 21000 et seq. ("CEQA"), and the Guidelines for Implementation of CEQA, 14 California Code of Regulations Sections 15000 et seq. (the "CEQA Guidelines"). On December

4, 2008, the San Francisco Planning Commission adopted Motion No. 17774 certifying this document as complete along with other required findings. On December 4, 2008, the Planning Commission also adopted Resolution No. 17775 approving environmental findings, including a statement of overriding benefits and a mitigation monitoring and reporting program. A copy of the Environmental Impact Report, the Planning Commission Motion, and the Planning Commission Resolution, including the environmental findings are on file with the SFMTA Board Secretary and are incorporated herein by reference; now, therefore, be it

RESOLVED, That the San Francisco Transportation Municipal Transportation Agency Board of Directors hereby authorizes the Executive Director/CEO of the SFMTA to execute a Memorandum of Understanding between the SFMTA and the SFPUC (the "Transfer MOU") and any additional agreements necessary to effect the transfer of jurisdiction from the SFMTA to the SFPUC of a 6,264 square foot portion of the City Property and from the SFPUC to the SFMTA of a 5,835 square foot portion of the City Property, both located near the intersection of Phelan Avenue and Ocean Avenue in San Francisco, California, and to request the City's Director of Property to prepare and submit legislation, on the recommendation of the SFMTA, to the Board of Supervisors for its approval of these transfers; and be it

FURTHER RESOLVED, That all actions authorized by this resolution and heretofore taken by any City official in connection with the Transfer MOU are hereby ratified, approved and confirmed by the San Francisco Municipal Transportation Agency Board of Directors; and be it

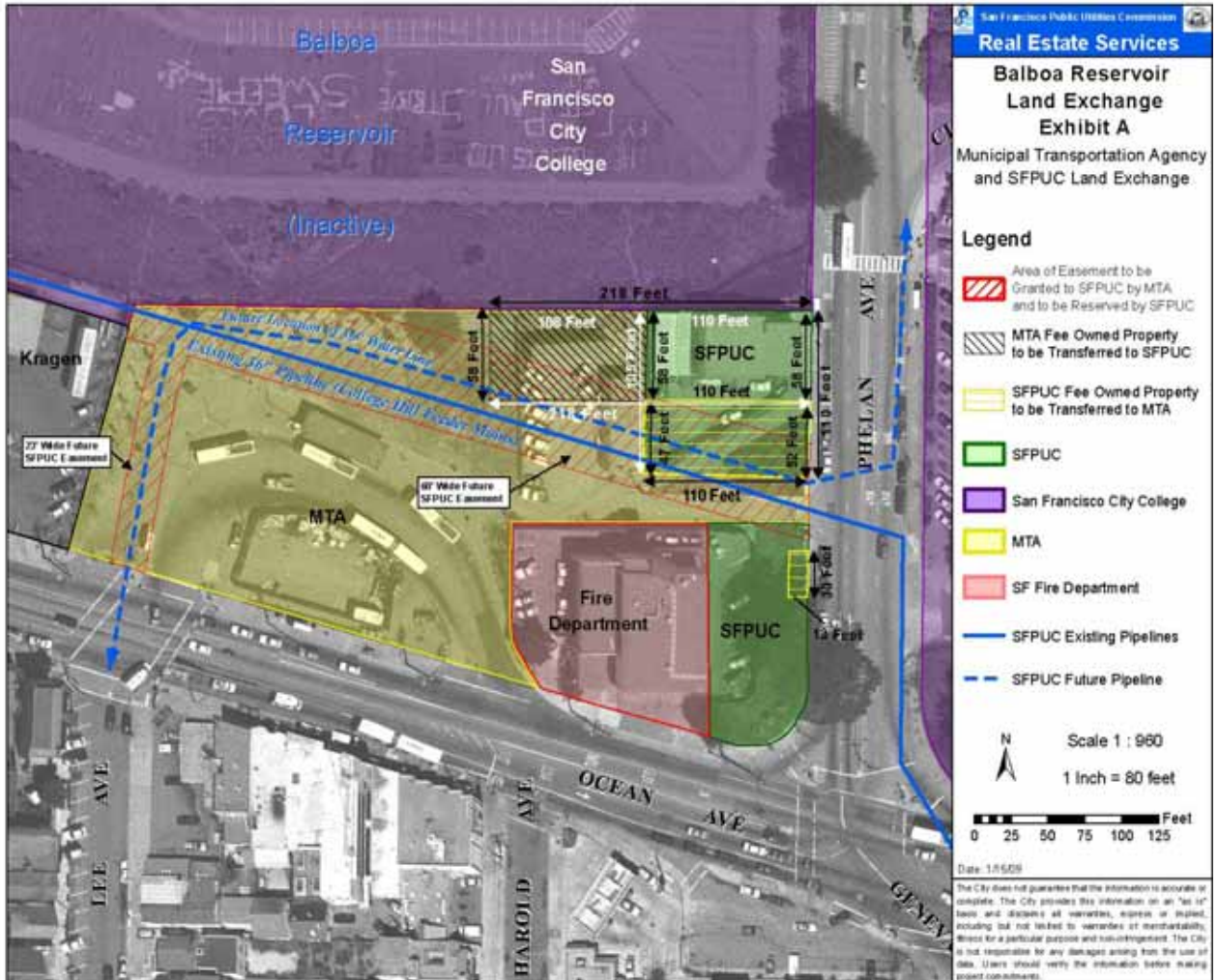
FURTHER RESOLVED, That the SFMTA, in accordance with CEQA, hereby adopts the San Francisco Planning Commission's Environmental Findings, including its statement of overriding benefits, as its own.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of _____.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

EXHIBIT A

Project Map and Depiction of MTA Parcel and SFPUC Parcel



MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (this "**MOU**"), dated for reference purposes only as of _____, 2008, is entered into by and between the San Francisco Municipal Transportation Agency ("**MTA**"), an agency of the City and County of San Francisco ("**City**"), and the San Francisco Public Utilities Commission ("**SFPUC**"), an agency of City.

RECITALS

- A. The City owns the real property near the intersection of Phelan Avenue and Ocean Avenue (the "**Phelan Property**") and the real property located immediately adjacent thereto (the "**Reservoir Property**"), both as depicted in the attached Exhibit A (the "**Project Map**").
- B. MTA has jurisdiction over the portion of the Phelan Property depicted as the "MTA Parcel" on the attached Exhibit A, which is comprised of approximately 6,264 square feet (the "**MTA Parcel**"), and SFPUC has jurisdiction over the portion of the Phelan Property depicted as the "MTA Parcel" on the attached Exhibit A, which is comprised of approximately 5,835 square feet (the "**SFPUC Parcel**").
- C. MTA wishes to construct a replacement bus loop and related improvements on the Property (collectively, the "**Replacement Bus Loop Improvements**"), which will be partially located on the SFPUC Parcel.
- D. SFPUC wishes to transfer the MTA Parcel to the San Francisco Community College District ("**College**") effect the property exchange described in the Memorandum of Understanding between SFPUC and College and dated January 4, 2002 (the "**College MOU**"), if the SFPUC's Commission and the City's Mayor and Board of Supervisors duly approve of such exchange, as modified by SFPUC and the College.
- E. MTA is not actively using any portion of the MTA Parcel and SFPUC is only using the SFPUC Parcel for the installation and operation of pipelines, as further described in that certain Memorandum of Understanding between MTA and SFPUC dated for references purposes as of February 13, 2007, and attached hereto as Exhibit B (the "**Pipeline MOU**").
- F. MTA wishes that jurisdiction of the MTA Parcel be transferred to SFPUC (the "**MTA Jurisdictional Transfer**") and SFPUC wishes that jurisdiction of the SFPUC Parcel be transferred to MTA (the "**SFPUC Jurisdictional Transfer**"), subject to the terms and conditions specified in this MOU. The MTA Jurisdictional Transfer and the SFPUC Jurisdictional Transfer shall be referred to together as the "**Transfers**".

NOW, THEREFORE, IN CONSIDERATION of the foregoing, MTA and SFPUC hereby agree as follows:

AGREEMENT

1. Recitals. The foregoing recitals are true and correct and are incorporated herein by this reference.

2. **Requests for Jurisdictional Transfers.** Within fifteen (15) business days following the date (the "**Effective Date**") that MTA's Board of Directors and SFPUC's Commission have each duly approved this MOU, (a) MTA shall file a written request with the City's Mayor and the City's Director of Property for the MTA Jurisdictional Transfer and confirming MTA's consent to the SFPUC Jurisdictional Transfer, both on the conditions specified in this MOU, and (b) SFPUC shall file with the City's Mayor and the City's Director of Property a written request for the SFPUC Jurisdictional Transfer and confirming SFPUC's consent to the MTA Jurisdictional Transfer, both on the conditions specified in this MOU. Each of the requests filed by MTA and SFPUC under this Section shall comply with the requirements specified in Section 23.15 of the City's Administrative Code.

3. **Consideration.** The City's Director of Property has notified MTA and SFPUC that the fair market value of the MTA Parcel is considered to be equivalent to the fair market value of the SFPUC Parcel (which is not less than the historical cost of the SFPUC Parcel. If the City's Board of Supervisors duly approves the Transfers and the Transfers occur, MTA agrees that the consummation of the SFPUC Jurisdictional Transfer shall be sufficient consideration for its agreement to the MTA Jurisdictional Transfer, and SFPUC agrees that the consummation of the MTA Jurisdictional Transfer shall be sufficient consideration for its agreement to the SFPUC Jurisdictional Transfer. Each party agrees that no additional consideration shall be owed to the other party with respect to the Transfers.

4. **Reserved Easement for SFPUC Pipelines.** MTA acknowledges that SFPUC currently operates certain pipelines and intends to install additional pipelines beneath the surface of the SFPUC Parcel, as further described in the Pipeline MOU. If the Transfers occur, MTA agrees to accept jurisdiction of the SFPUC Parcel subject to SFPUC's reserved rights thereto, as further described in the Pipeline MOU.

5. **Effective Date; Term.** The term of this MOU shall commence on the Effective Date and shall terminate on the date that jurisdiction of the SFPUC Parcel is transferred to MTA and jurisdiction of the MTA Parcel is transferred to SFPUC; provided, however, that this MOU shall automatically terminate if the City's Board of Supervisors fails to approve of the requested Transfers when submitted thereto for such approval.

6. **"As-Is" Condition.** MTA agrees to accept the SFPUC Parcel pursuant to this MOU in its "as-is" condition, and SFPUC agrees to accept the MTA Parcel pursuant to this MOU in its respective "as-is" condition. Each party is relying on its independent investigation of the SFPUC Parcel and the MTA Parcel, as applicable, and neither party has made any representations or warranties with respect to the SFPUC Parcel or the MTA Parcel to the other party.

7. **Further Assurances.** The parties hereto agree to execute and acknowledge such other and further documents as may be necessary or reasonably required to carry out the mutual intent of the parties as expressed in this MOU.

8. **Notices.** All notices, demand, consents or approvals which are or may be required to be given by either party to the other under this MOU shall be in writing and shall be deemed to have been fully given when delivered in person to such representatives of MTA and SFPUC as shall from time to time be designated by the parties for the receipt of notices, or when deposited in the United States mail, postage prepaid, and addressed as follows:

If to MTA:

Executive Director/CEO
San Francisco Municipal Transportation Agency
1 South Van Ness Avenue, 7th Floor
San Francisco, CA 94103

If to SFPUC:

General Manager
San Francisco Public Utilities Commission
1155 Market Street, Eleventh Floor
San Francisco, CA 94103

or such other address with respect to either party as that party may from time to time designate by notice to the other given pursuant to the provisions of this Section.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the parties have caused this MOU to be executed as of the date first written above.

AGREED TO AS WRITTEN ABOVE:

SAN FRANCISCO MUNICIPAL
TRANSPORTATION AGENCY

By: _____
NATHANIEL P. FORD, SR.
Executive Director/CEO

Date: _____

AGREED TO AS WRITTEN ABOVE:

SAN FRANCISCO PUBLIC
UTILITIES COMMISSION

By: _____
ED HARRINGTON
General Manager

Date: _____
Resolution No.: _____

MTA Board of Directors
Resolution No. _____
Dated: _____

Attest:

Secretary, MTA Board of Directors

EXHIBIT B

Pipeline MOU

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (this "MOU"), dated for reference purposes only as of February 13, 2007, is entered into by and between the San Francisco Municipal Transportation Agency ("MTA") and the San Francisco Public Utilities Commission ("SFPUC").

RECITALS

A. Certain property located near the intersection of Phelan Avenue and Ocean Avenue in the City and County of San Francisco ("**City**") is under the jurisdiction of MTA, as generally depicted on the attached Exhibit A (the "**MTA Parcel**"), and certain other property located near such intersection is under the jurisdiction of SFPUC, also as generally depicted on the attached Exhibit A (the "**PUC Parcels**").

B. SFPUC presently maintains a 36-inch pipeline known as the Crosstown Pipeline, which delivers water from the west side of the City to the east side of the City (the "**Existing Crosstown Pipeline**"). A portion of the Existing Crosstown Pipeline is located beneath the surface of a portion of MTA Parcel in the location generally depicted on the attached Exhibit A (labeled "Existing 36" Pipeline (College Hill Feeder Mains)").

C. SFPUC plans to install approximately 4.5 miles of pipeline known as the East-West Transmission Main from the Alemany Pump Station in the eastern part of the City to Junipero Serra Boulevard at Holloway (the "**East-West Pipeline**"). The new East-West Pipeline will enable the SFPUC to move water from the east side of the City into the City's Sunset system in the event of a pipeline failure on the peninsula or in the event of other emergencies. Its installation and operation is critical to the health and safety of residents of the Sunset District. The installation of the East-West Pipeline is referred to herein as the "**Project**."

D. A portion of the East-West Pipeline will be located beneath the surface of a portion of the MTA Parcel and a portion of the East-West Pipeline will be located under a portion of one or more of the PUC Parcels, in the location generally depicted on the attached Exhibit A (labeled "Future Location of 36" Water Line"). SFPUC and MTA have agreed on the alignment identified in Exhibit A and on the construction drawings and specifications for the Project (the "**Initial Plans**") prepared by SFPUC and dated August 2006 (the "**Preferred Alignment**").

E. SFPUC also plans the future installation of an additional 36-inch pipeline running easterly from the future Balboa Reservoir (the "**Future Balboa Reservoir Outlet Pipeline**"). The final alignment of the Future Balboa Reservoir Outlet Pipeline has not yet been fixed, but it is anticipated that portions of the Future Balboa Reservoir Outlet Pipeline may be installed beneath the surface of a portion of the MTA Parcel and the PUC Parcels, parallel to that portion of the Existing Crosstown Pipeline located on the MTA Parcel and the PUC Parcels. The installation of the Future Balboa Reservoir Outlet Pipeline is referred to herein as the "**Future Balboa Reservoir Project**".

F. MTA and SFPUC anticipate entering into one or more future agreements with each other and certain other City agencies or other parties pursuant to which, among other matters, the jurisdiction over or ownership of portions of one or more of the PUC Parcels will be transferred to MTA and one or more of such other agencies or parties and jurisdiction over or

ownership of a portion of the MTA Parcel will be transferred to one or more of such other agencies or parties (the "**Proposed Transfer Agreement**").

G. In connection with the Project, the Future Balboa Reservoir Project and the Proposed Transfer Agreement, SFPUC desires to ensure that SFPUC obtains over the MTA Parcel and reserves over the PUC Parcels an easement in the locations generally depicted on Exhibit A and labeled "60' Wide Future SFPUC Easement" and "23' Wide Future SFPUC Easement" (the "**Permit Area**"), for the installation of the East-West Pipeline and the Future Balboa Reservoir Outlet Pipeline, and for the operation, maintenance and repair of the Existing Crosstown Pipeline, the East-West Pipeline and the Future Balboa Reservoir Outlet Pipeline. The Existing Crosstown Pipeline, the East-West Pipeline and the Future Balboa Reservoir Outlet Pipeline are sometimes referred to herein collectively as the "**Pipelines**".

H. Not all details of the Proposed Transfer Agreement have been finalized, and it presently appears that the Project may be completed most effectively if construction of that portion of the Project located on the MTA Parcel is permitted to commence prior to the date the Proposed Transfer Agreement is ultimately finalized. Accordingly, SFPUC and MTA now wish to enter into this MOU to set forth the conditions under which the SFPUC will construct the East-West Pipeline and the Future Balboa Reservoir Outlet Pipeline on the MTA Parcel, and maintain the Pipelines on the MTA Parcel, to provide for the future documentation of SFPUC's right to use the Permit Area, to provide for the conditions to MTA's use of the Permit Area, and to provide that any party transferring jurisdiction over or ownership of any portion of the Permit Area shall give such transferee notice of the terms and conditions of this MOU.

NOW, THEREFORE, IN CONSIDERATION of the foregoing, MTA and SFPUC hereby agree as follows:

AGREEMENT

1. **Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference.
2. **Preferred Alignment.** SFPUC and MTA acknowledge and agree that the Preferred Alignment remains subject to minor revisions as may be reasonably required by additional design considerations, future environmental review and field modifications, which revisions shall be mutually agreed to by SFPUC and MTA. SFPUC and MTA shall cooperate in identifying and resolving any revisions to the Preferred Alignment which are reasonably required. Any revisions to the Preferred Alignment shall be confirmed by the parties in writing, and following such revision the term "Preferred Alignment" shall refer to the Preferred Alignment, as so revised. Further, upon written notice from SFPUC that SFPUC desires to proceed with plans to install the Future Balboa Reservoir Outlet Pipeline, MTA shall cooperate with SFPUC in establishing the alignment of the Future Balboa Reservoir Outlet Pipeline. Once installed, SFPUC shall provide MTA with a copy of the as-built plans for any installed Pipeline.
3. **SFPUC Use of MTA Parcel.** MTA hereby grants to SFPUC and its agents and contractors the right to enter that portion of the MTA Parcel located in the Permit Area (the "**Subject Area**") to install the East-West Pipeline in the Preferred Alignment, to install the Future Balboa Reservoir Outlet Pipeline, to access, operate, repair, replace and maintain the Pipelines, and to perform such other actions as are reasonably necessary for the SFPUC to install and operate the Pipelines.

In addition to the foregoing, MTA and SFPUC shall cooperate to identify an access route for SFPUC construction equipment to cross over the MTA Parcel from Ocean Avenue to the Subject Area in connection with construction activities to be performed during the installation of the East-West Pipeline, and MTA shall establish terms and conditions for such access designed to minimize the impact on MTA's use, maintenance, repair, removal or replacement of the

current and future bus loops, boarding areas and temporary parking areas located on the MTA Parcel (collectively, the "**Bus Activities**"). Once such route and terms and conditions are established, MTA shall permit SFPUC to cross over the permitted access route in accordance with such terms and conditions.

SFPUC acknowledges that its entry on the Subject Area or other areas of the MTA Parcel pursuant to this Section shall be subject to reasonable restrictions established by MTA to protect the safety of its employees and passengers and to maintain its efforts to provide reliable public transit services. Such restrictions shall include mutually-agreeable access routes for construction equipment and equipment storage and staging areas required in connection with the exercise of SFPUC's rights hereunder. SFPUC and MTA acknowledge that such access routes and storage and staging areas will need to be created to minimize the impact to MTA's use of the Subject Area and the surrounding area for the Bus Activities, while permitting the access reasonably required for the exercise of SFPUC's rights hereunder.

4. **MTA Use of Permit Area.** Subject to MTA's rights to continue the Bus Activities, MTA shall not do anything in, on, under or about the Subject Area that could cause damage to or interference with the Pipelines or related facilities. Without limiting the foregoing, MTA agrees that no trees or shrubs shall be planted, no structures or improvements of any kind or character shall be constructed or placed, and no excavation shall occur, on the Subject Area without the prior written consent of SFPUC, except as provided in Section 6 below. To prevent damage to the Pipelines, MTA shall not use vehicles or equipment in excess of the standards established by AASHTO-H20 within the Subject Area during construction and/or maintenance of any improvements on or adjacent to the Subject Area, or for any other purpose, without SFPUC's prior written approval. SFPUC acknowledges that for the purposes of this Section 4, the passage, boarding, and temporary parking of buses and trolley coaches over the Subject Area shall not be deemed to violate the foregoing restriction regarding vehicle and equipment weight.

5. **Reserved Rights with Respect to Subject Area.** In addition to MTA's reserved right to perform the Bus Activities, MTA further reserves the right to use the Subject Area for all purposes which are not inconsistent with SFPUC's rights hereunder, including the right to maintain the following over and across and along the Subject Area: roads, streets, sidewalks, electric power lines, and telephone and telegraph lines; provided, however, that MTA shall not use the Subject Area, or permit the same to be used, for any purpose or in any manner which will interfere with, damage or endanger the Pipelines.

6. **Installation of Future Bus Loop on Reconfigured MTA Parcel; General Restrictions on Installations.** Although not all details of the Proposed Transfer Agreement have been finalized, the parties anticipate that the Proposed Transfer Agreement will provide for a jurisdictional transfer of a portion of the PUC Parcels to MTA to accommodate its anticipated construction and operation of a replacement bus loop and all related appurtenances, and a jurisdictional transfer of a portion of the MTA Parcel to SFPUC to accommodate its anticipated sale of property to San Francisco City College (the "**Anticipated Transfers**"). SFPUC acknowledges and agrees that, if the Anticipated Transfers occur, MTA shall have the right to conduct the Bus Activities on the portions of the PUC Parcels so acquired by MTA, the definition of "Subject Area" shall be deemed to include the portion of the Permit Area located on such acquired PUC Parcels, and for the purpose of this MOU, the "MTA Parcel" shall be deemed to include the portions of the PUC Parcels so acquired by MTA. In addition, notwithstanding the provisions of Section 5 above, if the Anticipated Transfers occur, MTA shall have the right to install, maintain, use, repair and replace up to four (4) trolley wire support pole foundations and two (2) boarding islands, together with all appurtenances related to the replacement bus loop, including, but not limited to, pavement, sidewalks and shallow utility conduits (collectively, the "**Proposed MTA Installations**"), on the Subject Area.

The following restrictions (collectively, the "**Improvement Conditions**") shall apply to the Proposed MTA Installations as well as any other proposed installations by MTA in the

Subject Area: (i) MTA shall provide to SFPUC, at the address for the Manager of City Distribution Division set forth in Section 10 below, a copy of each of the conceptual engineering report, the 95% completed plans, and the final plans and specifications for any proposed installation, as each becomes available, to provide SFPUC an opportunity to review and comment on such report and plans, (ii) MTA shall obtain SFPUC's approval of the plans and specifications for any proposed installation, which approval shall not be unreasonably withheld or delayed, (iii) there shall be a minimum of an eight foot (8') linear clearance on a horizontal plane between any trolley wire support pole foundation and any then-existing Pipeline within the Subject Area, unless SFPUC otherwise consents in writing, (iv) such installation, repair and replacement shall be performed in a manner which does not endanger or damage any then-existing Pipelines within the Subject Area, and (v) once installed, SFPUC shall provide MTA with a copy of the as-built plans for such installation.

If MTA is prepared to commence construction activities for its replacement bus loop over a portion of the PUC Parcels before the Anticipated Transfers occur, MTA shall obtain SFPUC's consent prior to commencing such activities, which consent shall not be unreasonably withheld, and shall ensure that each installation so made over the PUC Parcels complies with the Improvement Conditions.

7. **Preparation of Legal Description.** If MTA transfers any portion of the Subject Area to a third party, and such third party requires a legal description of the Subject Area (the "**Legal Description**"), MTA shall have the right to either obtain such Legal Description or to require SFPUC to obtain such Legal Description in a form that is reasonably acceptable to MTA. If MTA requires SFPUC to obtain such Legal Description, SFPUC shall do so at its sole cost within the thirty (30) day period following receipt of MTA's written request therefor. If MTA elects to obtain such Legal Description, SFPUC shall reimburse MTA for all third party costs reasonably incurred by MTA in preparing or obtaining such Legal Description within sixty (60) days following MTA's request therefor, which request shall include reasonable documentation of such costs together with a copy of the Legal Description.

8. **Effective Date; Term.** The term of this MOU shall commence the date specified in the introductory paragraph of this MOU, and shall terminate on the earlier of the date an easement deed or agreement is recorded to memorialize an easement across the Subject Area in favor of SFPUC (in which event the terms and conditions of such easement deed or agreement shall govern the rights of the parties) or at such time as the SFPUC elects to permanently terminate operation of the Pipelines for distribution of potable water.

9. **Restriction on MTA Access; Limits on Interference with Bus Activities.** The parties acknowledge that the future construction and installation of the Future Balboa Reservoir Project may temporarily interfere with the use of the Proposed MTA Installations. Accordingly, SFPUC and its contractors may restrict access to the immediate vicinity of the Project, the Future Balboa Reservoir Project, and other construction projects, if any, related to the Pipelines during construction if reasonably necessary to ensure the health and safety of the public, and MTA shall cooperate with such restrictions. SFPUC shall use reasonable efforts to conduct all Pipeline construction and maintenance activities on the Subject Area in a manner that minimizes interference with the Bus Activities, taking into account the scope of work to be performed. MTA and SFPUC shall negotiate in good faith regarding the manner of SFPUC's exercise of its rights hereunder, with the dual goals of minimizing interference with the Bus Activities and minimizing extra cost to SFPUC resulting from construction requirements and restrictions and from measures required to minimize interference with Bus Activities.

Notwithstanding anything to the contrary herein, except to the extent otherwise agreed by MTA in writing, SFPUC shall ensure that, at all times, (a) MTA has reasonable means for the passage of at least one lane of buses over the MTA Parcel (provided that, if the Anticipated Transfers occur, the reconfigured MTA Parcel has a bus passage corridor that is at

least fifty-five feet (55') in width at Phelan Avenue), and (b) lines of construction vehicles entering the MTA Parcel are limited to five (5) vehicles per hour.

10. **Notice of Construction.** SFPUC shall provide at least sixty (60) days' prior written notice of SFPUC's planned construction activities in the Subject Area (unless such planned construction activities are to perform the work described in the Initial Plans, in which case SFPUC shall only need to provide at least twenty-one (21) days' prior written notice), together with plans and specifications for such construction activities, to MTA at the following address:

Chief Operating Officer / Director of Muni Operations
Municipal Transportation Agency
1 South Van Ness Avenue
San Francisco, CA 94103
Tel.: (415) 701-4202

MTA shall provide at least twenty-one (21) days' prior written notice of MTA's planned construction activities in the Subject Area to SFPUC at the following address:

General Manager
San Francisco Public Utilities Commission
1155 Market Street, Eleventh Floor
San Francisco, CA 94103

with a copy of such notice, together with plans and specifications for such construction activities, to SFPUC at the following address:

Manager of City Distribution Division
San Francisco Public Utilities Commission
1990 Newcomb Ave.
San Francisco, CA 94124

11. **Restrictions on SFPUC Use; Compliance with Law.** SFPUC, at SFPUC's expense, shall comply with all laws, regulations and requirements of federal, state, county and municipal authorities, now in force or which may hereafter be in force with respect to SFPUC's activities hereunder, including compliance with all laws relating to Hazardous Materials (as defined below), which impose any duty upon SFPUC with respect to the use, occupancy or alteration of the MTA Parcel. SFPUC shall immediately notify MTA in writing of any release or discharge of any Hazardous Materials, whether or not the release is in quantities that would be required under the law requiring the reporting of such release to a governmental or regulatory agency. As used herein, "**Hazardous Materials**" shall mean any substance, water or material which has been determined by any state, federal, or local government authority to be capable of posing a risk of injury to health, safety or property.

12. **SFPUC Maintenance and Repairs.** SFPUC agrees that, subject to the terms of Section 13 below, any damage to the MTA Parcel caused by construction, installation, maintenance, repair or any other activity of SFPUC permitted hereunder shall be repaired and restored to its prior condition upon completion of the construction, maintenance, repair or other activities at no cost to MTA. Following the completion of any excavation work by SFPUC in the Subject Area, SFPUC shall promptly return the surface of the Subject Area to its prior condition, including repaving and regrading any existing roadway as required, subject to the terms of Section 13 below. During the term hereof, SFPUC shall maintain in good repair and condition the improvements made pursuant to this MOU.

13. **Landscaping.** MTA acknowledges that installation of the East-West Pipeline in the Preferred Alignment and installation of the Future Balboa Reservoir Outlet Pipeline will require removal of certain trees and may require the trimming of roots of other trees, and will result in damage to grass in the Subject Area. SFPUC shall replace affected grass with like-kind grass, and at MTA's request shall plant the same kind of grass over areas in which trees are removed by SFPUC. Neither SFPUC nor MTA shall replace any trees in the Subject Area.

14. **Insurance.** SFPUC shall require any contractor or subcontractor it hires in connection with its use of the MTA Parcel to secure such insurance as is recommended by the City Risk Manager and reasonably approved by MTA. The City shall be included as an additional insured with respect to any such insurance.

15. **Indemnification.** SFPUC shall require MTA to be included as an indemnified party in any indemnification provision between SFPUC and any agent, contractor or subcontractor it hires in connection with its use of the MTA Parcel.

16. **Damages.** It is the understanding of the parties that MTA shall not expend any funds due to or in connection with SFPUC's activities on the MTA Parcel. Therefore, SFPUC agrees to be responsible for all costs associated with all claims, damages, liabilities or losses which arise as a result of the activities on or about the MTA Parcel by SFPUC, its agents or contractors. The foregoing obligation of SFPUC shall survive the termination of this MOU.

17. **Notices.** All notices, demand, consents or approvals which are or may be required to be given by either party to the other under this MOU shall be in writing and shall be deemed to have been fully given when delivered in person to such representatives of MTA and SFPUC as shall from time to time be designated by the parties for the receipt of notices, or when deposited in the United States mail, postage prepaid, and addressed, if to MTA to:

Executive Director/CEO
San Francisco Municipal Transportation Agency
1 South Van Ness Avenue, 7th Floor
San Francisco, CA 94103

and if to SFPUC to:

General Manager
San Francisco Public Utilities Commission
1155 Market Street, Eleventh Floor
San Francisco, CA 94103

or such other address with respect to either party as that party may from time to time designate by notice to the other given pursuant to the provisions of this Section.

18. **Obligations Run With the Land; Future Easement.** If a party transfers any portion of the Permit Area to a non-City entity, such transferring party shall reserve an easement to the City that incorporates the rights and obligations set forth in this MOU, and the parties intend that any such future reserved easement shall run with the land and be binding on future owners of such transferred portion of the Permit Area. A reserved easement shall be recorded in the City's Official Records, and shall incorporate the party's respective rights and obligations set forth herein as to such portion of the transferred Permit Area, provided that such reserved easement shall be subject to any necessary approval of the San Francisco Municipal Transportation Agency Board of Directors or the San Francisco Public Utilities Commission, as applicable, and, to the extent required, the City's Board of Supervisors and Mayor. If MTA transfers jurisdiction over or permits the use of all or any portion of the MTA Parcel, MTA shall provide such transferee or permittee with a copy of this MOU. If SFPUC transfers jurisdiction

over or permits the use of the Pipelines or all or any portion of the affected PUC Parcels, SFPUC shall provide such transferee or permittee with a copy of this MOU.

19. **Miscellaneous Provisions.**

a. Further Assurances. The parties hereto agree to execute and acknowledge such other and further documents as may be necessary or reasonably required to carry out the mutual intent of the parties as expressed in this MOU.

b. Incorporation of Exhibits. All exhibits to this MOU are incorporated herein by this reference and made a part hereof as set forth in full.

[No further text this page]

IN WITNESS WHEREOF, the parties have caused this MOU to be executed as of the date first written above.

AGREED TO AS WRITTEN
ABOVE:

SAN FRANCISCO MUNICIPAL
TRANSPORTATION AGENCY

By: /S/ Nathaniel P. Ford, SR.
NATHANIEL P. FORD, SR.
Executive Director/CEO

Date: 3/20/2007

AGREED TO AS WRITTEN
ABOVE:

SAN FRANCISCO PUBLIC
UTILITIES COMMISSION

By: /S/ Susan Leal
SUSAN LEAL
General Manager

Date: 2/13/07
Resolution No.: 07-0028