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## **SAN FRANCISCO**

### **City management of water criticized**

#### **Suburban users call for more oversight**

- [Katia Hetter, Chronicle Staff Writer](#)

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A group of suburban water users, who two years ago tried to wrestle away from San Francisco control over the regionally vital Hetch Hetchy waterworks, is again calling into question the competence of the city's management of the system.



In a scathing three-page written statement released

Tuesday, the Bay Area Water Supply and Conservation Agency, an association of water agencies serving residents and businesses in San Mateo, Santa Clara and Alameda counties, called on San Francisco Mayor Gavin Newsom to step into a perceived leadership vacuum at the San Francisco Public Utilities Commission, the city agency responsible for the Sierra-fed, city-owned Hetch Hetchy water and power system.

"The underlying and critical issue is to protect the health, safety and economic well-being of our 1.7 million customers, who depend on water from the system," said the statement by Ira Ruskin, the group's chairman and a Redwood City councilman and Democratic candidate for state Assembly.

Adam Werbach, a recently appointed member of the commission that oversees San Francisco's public utilities agency, said Newsom didn't need to be told that the city's management of Hetch Hetchy needed closer attention.

"This mayor is lighting a match under the butt of the PUC, which is very good," Werbach said.

Of particular concern to suburban customers of the Hetch Hetchy aqueduct is the San Francisco Public Utilities Commission's ability to carry out an expected \$3.6 billion upgrade.

The Bay Area's largest water supply, Hetch Hetchy decayed at points as the city plowed revenue from its hydroelectricity production into other uses, and it is considered vulnerable to earthquake damage and drought.

In the written statement, Ruskin said the suburban water users association had hired an engineering firm to evaluate the San Francisco Public Utilities Commission's ability to carry-out the \$3.6 billion project, which is being financed by rate increases for Hetch Hetchy's 2.4 million customers in San Francisco, San Mateo, Santa Clara and Alameda counties.

The firm, Brown & Caldwell, "did not find convincing evidence that the PUC's hard-working staff can get a job of this size done on schedule."

The statement also said that San Francisco had recently acknowledged double-billing its out-of-town water customers for millions of dollars of construction work, resulting in a \$3.7 million overcharge after two years of legal arbitration over the issue.

"Reversing San Francisco's accounting errors cost our customers a lot for legal and staff expenses, and we want to avoid this needless waste of money and time in the future," the group told Newsom in the statement. The statement noted that the San Francisco Public Utilities Commission was months behind schedule giving the go-ahead to a contractor carrying out the environmental impact report on the project

-- a key regulatory prerequisite.

It also pointed out that PUC Commissioner Werbach had called the agency "deeply dysfunctional."

City Treasurer Susan Leal said the issues raised by Ruskin, who met with Newsom on Monday, were legitimate but were shared by San Francisco residents as well.

"They raised concerns that should be concerns of San Francisco and the region," said Leal, who expects the commission that oversees the public utilities agency to consider her nomination as general manager at a July 13 meeting.

"If we don't have water -- if that system breaks down -- we don't have much," she said.

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