SAN FRANCISCO PUBLIC UTILITIES COMMISSION
City and County of San Francisco

Edwin M. Lee
MAYOR

AGENDA
Tuesday, May 23, 2017

1:30 P.M.
1 Dr. Carlton B. Goodlett Place
City Hall, Room 400
San Francisco, CA 94102

Commissioners
Anson Moran, President
Ike Kwon, Vice President
Ann Moller Caen
Francesca Vietor
Vince Courtney

Harlan L. Kelly, Jr.
General Manager

Donna Hood
Secretary

For information, contact the Commission Secretary at 554-3165.
Minutes and other information are available on the SFPUC web site:
www.sfwater.org
Gavel-to-Gavel coverage available at:
http://sanfrancisco.granicus.com/ViewPublisher.php?view_id=22
**Accessible Meeting Policy:** The San Francisco Public Utilities Commission meeting will be held in Room 400, at 1 Dr. Carlton B. Goodlett Place (400 Van Ness Ave.), San Francisco, CA. The closest accessible BART station is the Civic Center Station at United Nations Plaza and Market Street. Accessible MUNI lines serving this location are: MUNI Metro Lines J-Church, K-Ingleside, L-Taraval, M-Ocean View, N-Judah and T-Third at Van Ness and Civic Center Stations; F-Market; 19-Polk, 47-Van Ness; 49-Mission-Van Ness; 5-Fulton; 6-Parnassus, 21-Hayes; 9-San Bruno; and 71-Haight Noriega. For information about MUNI accessible services call 701.4485.

The meeting room is wheelchair accessible. Accessible curbside parking spaces have been designated on the Van Ness Avenue and McAllister Street perimeters of City Hall for mobility-impaired persons. There is accessible parking available within the Civic Center Underground Parking Garage at the corner of McAllister and Polk Streets, and within the Performing Arts Parking Garage at Grove and Franklin Streets.

To obtain a disability-related accommodation, including auxiliary aids or services, or to obtain meeting materials in alternative format, please contact Donna Hood at 415.554.0761. Providing at least 72 hours notice will help to ensure availability. Written reports or background materials for calendar items are available for public inspection and copying at 525 Golden Gate Ave., 13th Floor during regular business hours and are available on-line at http://www.sfwater.org/index.aspx?page=167.

To assist the City’s efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City to accommodate these individuals.

The ringing of and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the President may order the removal from the meeting room of any person(s) responsible for the ringing or use of a cell phone, pager, or other similar sound-producing electronic devices.

**Know Your Rights Under the Sunshine Ordinance:** Government’s duty is to serve the public, reaching its decision in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact Administrator, by mail to Sunshine Ordinance Task Force, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102.4689; by phone at 554.7724; by fax at 554.7854; or by email at soff@sfgov.org.

Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Task Force, the San Francisco Public Library and on the City’s website at http://www.sfgov.org.

**311 Free Language Assistance:** 免费语言协助 / Ayuda gratuita con el idioma / Бесплатная помощь переводчиков /.Try giúp Thông dịch Miễn phí / Assistance linguistique gratuite / 無料の言語支援 / 무료 언어 지원 / คำแนะนำ แปลฟรี / Libreng tulong para sa wikang Tagalog แปลฟรี

**Lobbyist Registration and Reporting Requirements:** Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Campaign & Governmental Conduct Code §2.100] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the San Francisco Ethics Commission at 25 Van Ness Avenue, Suite 220, San Francisco, CA 94102; telephone (415) 252-3100; fax (415) 252-3112; web site at www.sfgov.org/ethics.

**CEQA Appeal Rights under Chapter 31 of the San Francisco Administrative Code:** If the Commission’s action on a project constitutes the Approval Action for that project (as defined in S.F. Administrative Code Chapter 31, as amended, Board of Supervisors Ordinance Number 161-13), then the CEQA determination prepared in support of that Approval Action is thereafter subject to appeal within the time frame specified in S.F. Administrative Code Section 31.16. Typically, an appeal must be filed within 30 calendar days of the Approval Action for a project that has received an exemption or negative declaration pursuant to CEQA. For information on filing an appeal under Chapter 31, contact the Clerk of the Board of Supervisors at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102, or call (415) 554-5184. If the Planning Department’s Environmental Review Officer has deemed a project to be exempt from further environmental review, an exemption determination has been prepared and can be obtained on-line at http://www.sf-planning.org/index.aspx?page=3447. Under CEQA, in a later court challenge, a litigant may be limited to raising only those issues previously raised at a hearing on the project or in written correspondence delivered to the Board of Supervisors, Planning Commission, Planning Department or San Francisco Public Utilities Commission at, or prior to, such hearing, or as part of the appeal hearing process on the CEQA decision.
ORDER OF BUSINESS

1. Call to Order

2. Roll Call

3. Approval of the Minutes of May 9, 2017

4. General Public Comments
   Members of the public may address the Commission on matters that are within the Commission’s jurisdiction and are not on today’s agenda.

5. Communications
   a) Advance Calendar
   b) Correspondence Log
   c) Contract Advertisement Report
   d) Water Supply Conditions Update
   e) Water System Improvement Program Status of Construction Change Orders

6. Other Commission Business
   a) Recognition of Deputy City Attorney Noreen Ambrose

7. Report of the General Manager
   a) CleanPowerSF Update
   b) Water Enterprise CIP Quarterly Report
   c) Water System Improvement Program Quarterly Reports: Local and Regional
   d) Quarterly Audit and Performance Review Reports
      - Rebate and Incentives Audit: GoSolarSF Program
      - FY 2015-16, City and County of San Francisco Basic Financial Statements and Single Audit Report
   e) Plan Bay Area 2040 Update

8. BAWSCA Update

The following matters before the San Francisco Public Utilities Commission are recommended for action as stated by the General Manager and City Attorney, where applicable. Explanatory documents provided to the Commission in connection with this agenda are available for public inspection and copying at the Office of the Commission Secretary, 525 Golden Gate Avenue, 13th Floor, San Francisco, CA 94102, Telephone: (415) 554-3165; Fax: (415) 554-3424.

CONSENT CALENDAR

9. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the San Francisco Public Utilities Commission, and will be acted upon by a single vote of the Commission. There will be no separate discussion of these items unless a member of the Commission or the public so requests, in
which event the matter will be removed from the Calendar and considered as a separate item.

a) Approve an increase in the construction duration contingency for **Contract No. HH-981**, Mountain Tunnel Access & Adit Improvement Project, of up to 210 consecutive calendar days (approximately seven months); and authorize the General Manager to approve future modifications to the contract, for a total revised contract duration of up to 649 consecutive calendar days (approximately one year and nine months), with no change to the contract cost. The requested increase in the construction duration contingency is needed to complete additional road repairs damaged during the recent winter rainstorms and allow additional time to review, negotiate, and process the related potential change orders. (How)

b) Approve an increase in the existing construction contract duration contingency of up to 180 consecutive calendar days (approximately six months) for **Contract HH-986**, 2017 Mountain Tunnel Interim Repair Project, with Sierra Mountain Construction, Inc.; and authorize the General Manager to approve future modifications to this contract, for a total revised contract duration of up to 436 consecutive calendar days (approximately one year and two months), with no change to the contract cost. The requested increase in the construction duration contingency is needed to allow additional time to review, negotiate, and process change orders related to additional repairs made to the Mountain Tunnel during the 56-day outage beyond those specified in the contract. (How)

c) Approve an increase to the existing construction contract cost contingency in the amount of up to $1,500,000 and an increase to the existing contract duration contingency of up to 548 consecutive calendar days (approximately one year, six months), for **Contract No. WD-2686**, Auxiliary Water Supply System Pumping Station No. 1 Improvements (2014); and Authorize the General Manager to approve future contract modifications for a total revised contract amount up to $10,731,700, and a total contract duration of up to 1,258 consecutive calendar days. (How)

d) Accept work performed by Cal State Constructors, Inc., for **Contract No. WW-580**, Oceanside Water Control Plant, W2 and W3 Water System Improvements, for a total contract amount of $1,539,611, and with a total contract duration of 630 consecutive calendar days (approximately one year and nine months), and authorize final payment to the Contractor. (How)

e) Approve the plans and specifications, and award **Contract No. WW-629**, Various Locations Sewer Replacement and Pavement Renovation No. 1, in the amount of $7,404,605, to the lowest, qualified, responsible and responsive bidder, Shaw Pipeline, Inc., to replace existing sewers and street pavement at various locations in the City and County of San Francisco. This proposed action constitutes the Approval Action for the
Approve the plans and specifications, and award **Contract No. WW-636**, Various Locations Sewer Replacement and Pavement Renovation No. 4, in the amount of $5,062,012, to the lowest, qualified, responsible and responsive bidder, D’Arcy & Harty Construction, Inc., to replace the existing sewers and street pavement on the subject streets in the City and County of San Francisco. This proposed action constitutes the Approval Action for the project for purposes of the California Environmental Quality Act, pursuant to Section 31.04(h) of the San Francisco Administrative Code.

Approve execution of an attestation of veracity for the San Francisco Public Utilities Commission 2016 Power Source Disclosure (PSD) Report and submission of that Report to the California Energy Commission. The SFPUC is required by State law to annually disclose the sources of electricity generation used to serve the SFPUC’s end-use electric customers through the preparation of the PSD Report and Power Content Label. The 2016 PSD Report discloses that the electricity sources used to serve the SFPUC’s end-use electric customers were 99.2% greenhouse-gas free hydroelectric generation from the Hetch Hetchy system and 0.8% eligible renewable energy resources under California’s Renewable Portfolio Standard. This PSD report covers the SFPUC’s operations as a publicly-owned electric utility.

Approve execution of an attestation of veracity for CleanPowerSF’s 2016 Power Source Disclosure Report and submission of that Report to the California Energy Commission. CleanPowerSF is required by State law to annually disclose the sources of electricity generation used to serve its end-use electric customers through the preparation of the PSD Report and Power Content Label. During the 2016 calendar year, CleanPowerSF successfully delivered a substantial portion of its electric energy supply from renewable energy sources under California’s Renewable Portfolio Standard. For Green customers, the percentage of supply attributable to renewable energy sources was 40%; for SuperGreen customers, renewable energy resources comprised 100% of the supply portfolio.

**REGULAR CALENDAR**

10. **Approve Amendment No. 2 to Agreement No. CS-246**, Technical Support Services, with Utility System Efficiencies, Inc., to maintain Hetch Hetchy Water and Power’s access to regulatory support services; and authorize the General Manager to execute this amendment, **increasing the agreement by $3,000,000**, for a total not-to-exceed agreement amount of $5,000,000, and **with a time extension of two years**, for a total agreement duration of seven years, six months, and 18 days.
11. **Approve** the selection of RES System 3, LLC, as the lowest, qualified, responsible and responsive bidder; **Award Contract No. DB-127R**, Warnerville Substation Rehabilitation, a Design-Build Agreement for design, construction, and commissioning a complete substation refurbishment that will improve the reliability of existing power transmission to customers. **Authorize** the General Manager to execute a **DBA with RES System 3, LLC.**, consistent with the requirements of Section 6.61(g) of the San Francisco Administrative Code, for a **total amount not to exceed $21,639,991**. This action constitutes the Approval Action for the project for the purposes of CEQA, pursuant to Section 31.04(h) of the San Francisco Administrative Code.  

12. **Approve** the plans and specifications, and award **Contract No. WD-2818**, Sunol Valley Water Treatment Plant SCADA Server Room, in the amount of **$1,011,171** to the lowest, qualified, responsible and responsive bidder, Integra Construction Services, Inc., to relocate the Sunol Valley Water Treatment Plant Supervisory, Control, and Data Acquisition server room, install an air conditioning system, and install fire suppression equipment. This proposed action constitutes the Approval Action for the project for purposes of the California Environmental Quality Act, pursuant to Section 31.04(h) of the San Francisco Administrative Code.  

13. **Authorize** the General Manager to execute, on behalf of the City and County of San Francisco, a **Memorandum of Agreement with the United States Department of Agriculture, Forest Service, Stanislaus National Forest**, for an **amount not to exceed $806,919**, and with a duration of five years, to provide watershed protection for the approved standby water sources within the Stanislaus National Forest.  

14. **Approve** the terms and conditions of and **authorize** the General Manager to execute a **new 20-year lease to Crystal Springs Golf Partners, LP**, to use approximately 199 acres of SFPUC Parcel 31 in the Peninsula Watershed in Burlingame, California, for use as an 18-hole golf course and driving range for an annual rent equal to the greater of Percentage Rent or Base Rent, initially $1 million, plus $2.25 million in tenant capital improvement commitments, subject to Board of Supervisors approval pursuant to Charter Section 9.118. This action constitutes the Approval Action for the project for the purposes of CEQA, pursuant to Section 31.04(h) of the San Francisco Administrative Code.  

15. Public Comments on matters to be discussed in Closed Session. 

16. Motion on whether to assert the attorney-client privilege regarding the matters listed below as Conference with Legal Counsel. 

**CLOSED SESSION**

*The Commission will go into Closed Session to discuss the following items:*
17. Conference with Legal Counsel - Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 76.10 (d) (1) (Ambrose)

**Unlitigated Claim**
Adam Holm, dba Pseudo Studio v. CCSF
City Attorney Claim No.: 17-01948 / Date Filed February 21, 2017
Material Terms: Proposed Settlement Amount of $33,202.60 with release of claim

18. Conference with Legal Counsel - Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 76.10 (d) (1) (Ambrose)

**Unlitigated Claim**
Everlane, Inc. v. CCSF
City Attorney Claim No.: 17-01696 / Date Filed January 26, 2017
Material Terms: Proposed Settlement Amount of $117,726.22 with release of claim

19. Conference with Legal Counsel – Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 67.10 (d) (1) (Ambrose)

**Existing Litigation**
Matt Pear et al v City and County of San Francisco, Court of Appeals, Sixth Appellate District
Date Filed: July 5, 2012
City Attorney File No.: 130094

20. Conference with Real Property Negotiator - Pursuant to California Government Code Section 54956.8 and San Francisco Administrative Code Section 67.8 (a) (2) (Carlin)

**Property:**
3.9 acres of property, designated as SFPUC Parcel 144, Santa Clara, CA, with Cedar Fair, LLP

**Persons Negotiating:**
Michael Carlin on behalf of SFPUC
Mary Murphy and Duff Milkie on behalf of Cedar Fair, LP as Tenant
Karen Tiedemann on behalf of the City of Santa Clara

**Under Negotiation:**
Price and Terms of Payment

21. Conference with Legal Counsel - Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 67.10 (d) (1) (Mueller)
Existing Litigation:

Pacific Gas & Electric
Federal Energy Regulatory Commission
Tariff Withdrawal per 35.15: Notice of Termination of the 1987 CCSF Interconnection Agreement – PG&E Rate Schedule FERC No. 114 to be effective 6/30/15.
Case No.: ER15-702-000/Date Filed: December 23, 2014

22. Conference with Legal Counsel - Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 67.10 (d) (1) (Mueller)

Existing Litigation:

Pacific Gas & Electric
Tariff Withdrawal per 35.15: Notice of Termination of The CCSF Facilities Charge Agreement for Moscone to be effective 6/30/15.
Case No.: ER15-703-000/Date Filed December 23, 2014

23. Conference with Legal Counsel - Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 67.10 (d) (1) (Mueller)

Existing Litigation:

Pacific Gas & Electric
Federal Energy Regulatory Commission
§205(d) rate filing per 35.13 (a)(2)(iii): City and County of San Francisco Transmission Owner Tariff Replacement Agreements to be effective 7/1/15
Case No.: ER15-705-000/Date Filed: December 23, 2014

24. Conference with Legal Counsel - Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 67.10 (d) (1) (Mueller)

Existing Litigation:

Pacific Gas & Electric
Federal Energy Regulatory Commission
§205(d) rate filing per 35.13 (a)(2)(iii): City and County of San Francisco Wholesale Distribution Tariff Replacement Agreements to be effective 7/1/15
Case No.: ER15-704-000/Date Filed: December 23, 2014

25. Conference with Legal Counsel - Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 67.10 (d) (1) (Mueller)

Existing Litigation:

Pacific Gas & Electric
Federal Energy Regulatory Commission
Notice of Termination of Facilities Charge Agreements between PG&E and the City and County of San Francisco
26. Threat to Public Services or Facilities – Pursuant to California Government Code Section 54957 and San Francisco Administrative Code Section 67.10 (a) (Carroll)

Following Closed Session, the Commission will reconvene in Open Session

27. Announcement following Closed Session.

28. Motion regarding whether to disclose the discussions during Closed Session.

29. Other New Business.

30. Adjournment.