1. Call to Order  
   President Moran called the meeting to order at 1:39 PM.

2. Roll Call  
   Present: Moran, Caen, Vietor, and Courtney  
   Excused: Kwon

3. Approval of the Minutes of April 25, 2017  
   On Motion to approve the Minutes of April 25, 2017:  
   Ayes: Moran, Caen, Vietor, and Courtney

4. General Public Comments  
   - Mr. Francisco DaCosta spoke to the draft EIR for the Sewer System Improvement Project. He expressed the need for community benefits and for workshops in the Southeast Sector.  
   - Mr. Peter Drekmeier, Tuolumne River Trust, discussed Plan Bay Area 2040 and key features forecasted in the Plan. He stated the SFPUC should weigh-in on the Plan before the June 1st deadline.  
   - Mr. David Pilpel discussed his tenure of appearing before the Commission. He stated the SFPUC has a model process for handling CEQA issues.  
   - Mr. Eric Brooks, multiple organizations, concurred with Mr. Drekmeier’s comments and discussed the Plan.

   Commissioner Vietor requested that the Plan Bay Area 2040, as it pertains to the SFPUC, be agenized for discussion.

5. Communications  
   a) Advance Calendar  
   b) Correspondence Log  
   c) Contract Advertisement Report  
   d) Citizens’ Advisory Committee (CAC) Resolution in Support of the Water Enterprise Environmental Stewardship Policy  
   e) Draft CleanPowerSF Growth Plan  
   f) Schedule of Rates & Charges for Non-Municipal, Residential, Commercial Electric Service  
   g) Water Supply Conditions Update

   Public Comments  
   - Mr. Peter Drekmeier, Tuolumne River Trust, spoke to item 5d. He thanked the CAC for their resolution and agreed with annual reporting.  
   - Ms. Suki Kott, CAC Water Subcommittee, spoke to item 5d. She discussed the Environmental Stewardship Program and stated the CAC recommends the annual reporting continue.  
   - Mr. Eric Brooks, multiple organizations, spoke to item 5e. He stated the CleanPowerSF objectives cannot be met unless all customers are enrolled. He requested faster growth and local build-out. He
requested a clause be added to the resolution in item 11 requesting that the 50% objective be completed as soon as possible.

- Ms. Martha Hawthorne, SEIU 1021, Climate Justice Committee, spoke to item 5e. She requested faster program growth for more union jobs. She discussed the need for the creation of a local call center.
- Ms. Melissa Yu, Sierra Club, spoke to item 5e. She requested faster program growth, increased staffing, additional program funding, and local build-out.
- Ms. Adele Framer, 350 SF, spoke to item 5e. She discussed Climate Change, requested faster program growth, and discussed the need for a more aggressive promotion of SuperGreen.
- Mr. Jed Holtzman, 350 SF, spoke to item 5e. He discussed the draft Growth Plan and requested faster program growth.
- Mr. Brian (inaudible), 350 SF, spoke to item 5e. He discussed the need for faster program growth and local build-out.
- Ms. Christie DePappas, League of Conservation Voters, spoke to item 5e. She requested a more aggressive roll-out and local build-out. She discussed her opinion of marketing mistakes with roll-out.

6. Other Commission Business

a) Recognition of the San Joaquin County Office of Education, the Building and Construction Trades, the Tuolumne County Collaborative, and SFPUC staff in developing a training for regional residents, with an emphasis on women, for careers in the construction industry, and also congratulating the Women Cohort Graduates of this successfully implemented training program.

Commissioner Courtney thanked the honorees for their attendance. He discussed the need for training programs, and introduced sponsors and Collaborative participants.

Commissioner Courtney introduced Mr. Masood Ordikhani, who thanked the Commission for the recognition. He also thanked GM Kelly, Assistant General Manager (AGM) How, and staff for their work in support of the program. He introduced Ms. Stephanie Foster, program graduate, who spoke on behalf of the cohort.

Ms. Foster thanked the Commission for the opportunity. She discussed the impact of the program and noted the certifications she was able to obtain as a result of being a program participant, and described the career path that has opened.

Mr. Dave Gorgas, Laborers, Local 1130, offered his thoughts and praises about the program; and expressed his full support of the program, the graduates, and the jobs that are created. He offered and thanks to all who make the program happen.

Ms. Chau Tran, Project Leader, San Joaquin Office of Education, thanked everyone involved for their support and contributions.
Mr. Tim Parkan, SFPUC Project Manager, discussed the project and collaborative work with other organizations. He discussed the work performed by the graduates, noting their success. He thanked everyone for their support.

Commissioner Courtney recognized the SFUC staff for their work.

The Commission presented the cohort and program supporters with ceremonial resolutions in appreciation for their work.

No public comment.

7. Recognition of SFPUC Retirees
   Mr. Ken Salmon, Director, SFPUC IT Services, introduced the retirees and provided highlights of their distinguished careers.
   b) Ruben Vasquez for his 28 Years of Distinguished Service
      Mr. Vasquez thanked the Commission for the recognition. He discussed his professional relationship with President Moran, Commissioner Caen and GM Kelly. He thanked the Commission for the recognition.
   c) Paul Karawanny for his 29 Years of Distinguished Service
      Mr. Karawanny thanked the Commission for the recognition. He discussed memories of his career.

      The Commission presented Mr. Vasquez and Mr. Karawanny with Certificates of Appreciation.

Public Comments
   • Mr. Pilpel congratulated the retirees and thanked them for their service.

   a) Quarterly Budget Status Report
      Mr. Charles Perl, Deputy CFO, provided the Quarterly (Q3) Budget Status Report. He reviewed observations: (1) Water, Wastewater, and CleanPowerSF higher revenues; Power lower revenues; (2) FY 2017 Water budgetary variances – increased water sales revenues and uses and cost savings (sources and uses); (3) FY 2017 Wastewater budgetary variances – increased wastewater revenues and uses and cost savings (sources and uses); (4) FY 2017 Power budgetary variances – reduced power sales revenues offset by cost savings (sources and uses); (5) FY 2017 CleanPowerSF budgetary variances – sales revenues on target, uses cost savings (sources and uses). Mr. Perl reviewed key financial ratios (fund balance reserves and debt service coverage reserve).

Public Comments
   • Mr. Eric Brooks, multiple organizations, discussed requirements of proposed AB79.
b) **Update on State Revolving Loans and Grants**  
Mr. Perl provided an update on State Revolving Fund loans and noted the low interest rate acquired. He stated more information will be provided when the item is presented for approval. He thanked everyone involved for their work.

No public comment

The Commission Secretary read the Consent Calendar.

9. **Consent Calendar**  
a) **Approve Project No. CWWSIPCSSR09, Drumm and Jackson Streets Sewer System Improvements; Authorize the General Manager to implement the Project in conjunction with implementing Project No. CWWSIPCPSPS02, Force Main Rehabilitation at Embarcadero and Jackson Streets, and in compliance with the Charter and applicable law, including authorizing the General Manager: (i) to negotiate and execute a new or amended Memorandum of Understanding, an encroachment permit, and/or other form of agreement with the Port of San Francisco to obtain necessary access to Port property for implementation of the Projects; and (ii) to negotiate and execute a Permit to Enter and Use Property with Port tenant Ferry Building Associates, LLC, to obtain access to Seawall Lot 351 for construction and staging purposes. This action constitutes the Approval Action for the project for the purposes of CEQA, pursuant to Section 31.16 of the San Francisco Administrative Code, for the Drumm and Jackson Sewer System Improvements Project. ([Resolution 17-0097](#))

b) **Accept work completed by Big Valley Electric for Contract No. HH-977R, O’Shaughnessy Dam Drum Gate Automation, for a total contract amount of $769,082, and with a total contract duration of 263 consecutive calendar days; and authorize final payment to the contractor. ([Resolution 17-0098](#))**

c) **Approve the plans and specifications, and award Contract No. HH-988R, Kirkwood Penstock Short Term Risk Reduction Measures, in the amount of $1,277,000, to the lowest, qualified, responsible and responsive bidder, Big Valley Electric, to provide short term risk reduction measures to Kirkwood Penstock, including the installation of a Foundation Monitoring Warning System to detect potential slope movement, repair of an existing reinforced concrete saddle, repair and maintenance to the existing slope drainage system, and procurement of materials that could be used for emergency repairs, including large diameter pipe couplings and rolled steel plates. 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. ([Resolution 17-0099](#))**

d) **Accept work performed by Empire Engineering & Construction, Inc., for Contract No. WD-2503R, 8-Inch Ductile Iron Main Installation in the Kirkwood Penstock area. ([Resolution 17-0100](#))**
Jackson, Washington, Sacramento, and Davis Streets; Approve Modification No. 3 (Final), decreasing the contract by $98,265 for a total contract amount of $3,249,268; and authorize final payment to the contractor. (Resolution 17-0100)

On Motion to approve the Consent Calendar:
Ayes: Moran, Caen, Vietor, and Courtney

No public comment.

10. Public Hearing: Discussion and possible action to adopt revised SFPUC Rules & Regulations Governing Electric Service. The revised version of the Rules replaces in its entirety both the original version approved by the Commission in February 2010 and amendments approved in November 2015. (Resolution 17-0101)
Ms. Barbara Hale, AGM, Power, reviewed the item, discussed the proposed rule revisions, and requested approval.

On Motion to approve item 10:
Ayes: Moran, Caen, Vietor, and Courtney

No public comment.

11. Discussion and possible action to adopt a new target of 50% renewable energy by the end of 2020 for the CleanPowerSF Green (default) product. (Resolution 17-0102)
Ms. Hale noted that the item builds off of the Growth Plan presented in item 5e. AGM Hale stated the CleanPowerSF program has completed its first year of operation. She thanked the Commission, GM, stakeholders, SFPUC, and City staff for their guidance and support.

Ms. Hale provided a brief program update, noting there are currently 76,000 accounts; a 3.2% opt-out rate; and 2,193 SuperGreen upgrades. She noted May 1st enrollment has begun and service will soon begin.

AGM Hale discussed the plan for program enrollment and growth, from a $38M per year revenue stream to a $258M per year revenue stream. She noted the Growth Plan outlines the best plan for expansion while staying true to program goals; and that the Plan recommends adopting a goal of citywide enrollment by FYE 2019. She indicated they will try to go faster, but pace will depend on price and availability of renewable energy in the market. She discussed the process for obtaining power supply, and goals and opportunities for job creation. She indicated the Growth Plan encourages increased staff to ensure high-quality customer service, as well as initiatives to ensure low-income customer participation. She stated the program will acquire the energy needed to expand over the next year, and reiterated the exact scale of growth will depend on available energy in the market. She noted the RFP will be available in July, at which time they will be able to see what the market shows before committing to a specific growth schedule.
GM Kelly emphasized that the market will determine program growth based on available renewables and cost to ensure competitiveness.

AGM Hale discussed the RFP and process. Ms. Hale reviewed a chart which illustrated the supply portfolio structure. GM Kelly noted flexibility is needed. Brief discussion ensued.

AGM Hale responded to a question from Commissioner Vietor regarding the enrollment target contained in the resolution. After discussion, Commissioner Vietor moved an amendment to the resolution’s resolved clause (as underlined), to read: RESOLVED That the Commission hereby modifies the San Francisco Public Utilities Commission’s CleanPowerSF Program to increase the target renewable energy content of the Green (default) product from 35% to 50% by the end of 2020, or sooner if possible, and enroll 100% of eligible San Francisco customers by July 2019, or sooner if possible.

On Motion to approve amendment:
Ayes: Moran, Caen, Vietor, and Courtney

Public Comment on amendment
- Mr. Jason Fried, LAFCo, stated the resolution can be kept as presented and be modified in the future, if necessary.
- Mr. Eric Brooks, multiple organizations, expressed support for the amendment.

At the request of Mr. Brooks, Commissioner Vietor re-read the amendment.

On Motion to approve item 11 as amended:
Ayes: Moran, Caen, Vietor, and Courtney

Public Comments
- Mr. Jason Fried, LAFCo, discussed the draft Growth Plan, customer service and billing programs and systems, and provided comment on growth timeline.

Mr. Fried responded to a question from Commissioner Courtney regarding the program’s call center staffing.

GM Kelly stated a staffing plan is being developed to address program needs, and that the program will be staffed accordingly.

- Mr. Eric Brooks, multiple organizations, discussed bringing on resources and staffing. He took issue with the GM’s comments and stated the program needs to be aggressive.
- Mr. Jed Holtzman, 350 SF, thanked staff for their work, and thanked Commissioner Vietor for the amendment. He noted the introduction of SB100. He discussed program growth.
President Moran expressed support for the item and concern with energy purchase risk. He noted the SFPUC needs to be smart, and that a productive asset is needed.

12. Approve Amendment No. 3 to the Memorandum of Understanding between the San Francisco Public Utilities Commission and the San Francisco Local Agency Formation Commission; and authorize the General Manager to execute this amendment, with a term extension of two years, for a total MOU term of 11 years, subject to Board of Supervisors approval under Charter Section 9.118. This amendment would extend the duties performed by SF LAFCo to monitor and advise the SFPUC and San Francisco Board of Supervisors regarding the progress of CleanPowerSF development and implementation. (Resolution 17-0103)

On Motion to approve item 12:
Ayes: Moran, Caen, Vietor, and Courtney

No public comment.

13. Adopt FYE 2018 Wholesale Water Rate Schedule, as applied to meter readings on or after July 1, 2017. This rate schedule reflects the terms of the 2009 Water Supply Agreement between the City and County of San Francisco and the Wholesale Customers, which was approved on April 28, 2009 by Commission Resolution No. 09-0069. (Resolution 17-0104)

Mr. Perl introduced the item and requested approval. He responded to a question from President Moran regarding projection of retail demand.

On Motion to approve item 13:
Ayes: Moran, Caen, Vietor, and Courtney

Public Comments
- Ms. Christina Tang, BAWSCA, expressed support for the item.

Commissioner Caen departed the room at 3:30 PM.

14. Approve Board of Supervisors/add-back-funded Agreement Nos. CS-1022[G].A and B, Sidewalk Garden Project Grant, with Climate Action Now! (CAN!), and its fiscal sponsor the San Francisco Parks Alliance (CS-1022[G].A), and Friends of the Urban Forest (CS-1022[G].B); and approve Amendment No. 1 to continue providing program and project management services for the Sidewalk Garden Project; and authorize the General Manager to execute these amendments, increasing the agreements by $340,000 cumulatively for Fiscal Years 16-17, and 17-18, for a total not-to-exceed agreement amount of $640,000 for both contracts, and with a time extension up to three years and six months, for a total agreement duration of five years per agreement. (Resolution 17-0105)

On Motion to approve item 14:
Ayes: Moran, Vietor, and Courtney
Public Comments

- Mr. Karla Nagy, Friends of the Urban Forest (FUF), thanked the Commission for their support.
- Mr. Dan Flanagan, FUF, thanked the Commission for their support.
- Mr. Markos Major, Climate Action Now!, thanked staff for their work and the Commission for their support.

President Moran commented that Vice President Kwon sent him a note expressing his support for the item.

15. Approve Amendment No. 1 to Agreement Nos. CS-392[G].A–C, K-8 Outdoor Education Grant agreement with three local community-based nonprofit organizations: Climate Action Now! (CAN!) and its fiscal sponsor the San Francisco Parks Alliance (CS-392[G].A); Community Grows, and its fiscal sponsor the Tides Center (CS-392[G].B); and Education Outside (CS-392[G].C), to provide outdoor education services to 8,000 elementary students grades K-8 in the San Francisco Unified School District; and authorize the General Manager to execute this amendment, extending each agreement duration up to one year, for a total duration of four years. (Resolution 17-0106)

On Motion to approve item 15:
Ayes: Moran, Vietor, and Courtney

Public Comments

- Mr. Markos Major, Climate Action Now!, thanked James Lick Middle School and the Commission for their support.

16. Approve the selection of GHD, AGS, Inc., Joint Venture; Award Agreement No. PRO.0055, Southeast Outfall Islais Creek Crossing Replacement, to provide engineering design and construction support services to replace a segment of the Southeast Outfall; and authorize the General Manager to negotiate and execute a professional services agreement with GHD–AGS JV for an amount not to exceed $3,000,000, and with a duration of five years. (Resolution 17-0107)
AGM How introduced the item and requested support.

On Motion to approve item 16:
Ayes: Moran, Vietor, and Courtney

No public comment.

17. Approve the plans and specifications, and award Contract No. WD-2776, San Francisco Westside Recycled Water Treatment Facility at Oceanside Plant, in the amount of $87,597,000, to the lowest, qualified, responsible and responsive bidder, S.J. Amoroso Construction Co., Inc., to construct a new recycled water treatment facility and transmission pump station at the Oceanside Plant. (Resolution 17-0108)
AGM How introduced the item and requested approval.
On Motion to approve item 17:
Ayes: Moran, Vietor, and Courtney

No public comment.

Commissioner Caen returned to the room at 3:36 PM.

18. Authorize the General Manager to negotiate and enter into a contract for an amount not-to-exceed $15,577,000 with the sole qualified, responsible, and responsive bidder, A. Ruiz Construction Co. & Assoc., Inc., as permitted under San Francisco Administrative Code Section 6.23(c)(2); and upon successful negotiations, approve the plans and specifications and award Contract No. WD-2820R, San Francisco Local Water As-Needed Paving (FY16-19), to restore pavement for excavations in street and sidewalks. (Resolution 17-0109)
AGM How introduced the item and requested approval.

On Motion to approve item 18:
Ayes: Moran, Caen, Vietor, and Courtney

No public comment.

19. Approve the selection of MWH Constructors/Webcor Builders Joint Venture (JV); Award Contract No. WW-647R, Southeast Water Pollution Control Plant (SEP) Biosolids Digester Facilities Construction Manager/General Contractor agreement (CM/GC), and authorize the General Manager to negotiate and execute a CM/GC agreement with MWH Constructors/Webcor Builders JV, consistent with the requirements of Section 6.68(b)(2) of the San Francisco Administrative Code, for the proposed new Biosolids Digester Facilities at the SEP, for an amount not to exceed $6,069,749 for pre-construction services, and if the Commission approves the Project, for an amount not to exceed $932,715,777 for construction services, for a total contract amount of up to $938,785,526. This action authorizes the General Manager to issue a Notice to Proceed for pre-construction services, but construction services will not be authorized under this agreement unless and until the Final Environmental Impact Report (FEIR) is certified, and this Commission has reviewed and considered the FEIR, adopted California Environmental Quality Act findings and a Mitigation and Monitoring Reporting Program, and approves the proposed Project. (Resolution 17-0110)
AGM How introduced the item and the bid process, and requested approval.
On Motion to approve item 19:
Ayes: Moran, Caen, Vietor, and Courtney

Public Comments
- Mr. Michael Theriault, SF Buildings Trades, expressed support for the project.
Ms. Holli Their, The Their Group, stated she is part of the JV team. She expressed excitement for the project and support for the item. She thanked the Commission for their support of LBE programs.

Mr. Rodney Hampton, Jr., SECEP, stated the southeast community is grateful for the project. He expressed support for the item.

President Moran stated there would be no Closed Session.

20. Public Comments on matters to be discussed in Closed Session.
None.

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

22. Conference with Legal Counsel - Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 76.10 (d) (2)
Anticipated Litigation as Plaintiff

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)
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

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)
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

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

27. Conference with Legal Counsel - Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 67.10 (d) (1)
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
Case No.: ER15-735-000/Date Filed: December 23, 2014

28. Threat to Public Services or Facilities – Pursuant to California Government Code Section 54957 and San Francisco Administrative Code Section 67.10 (a)

29. Announcement following Closed Session.

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

31. Other New Business.
None.

32. Adjournment.
President Moran adjourned the meeting at 3:45 PM.