SAN FRANCISCO PUBLIC UTILITIES COMMISSION
City and County of San Francisco

Edwin M. Lee
MAYOR

AGENDA
Tuesday, July 11, 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](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 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 soft@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](http://www.sfgov.org).

**311 Free Language Assistance:** 免費語言協助 / Ayuda gratuita con el idioma / Бесплатная помощь переводчиков / ترجمة باللغة العربية / Libreng tulong para sa wikang Tagalog / แปล

**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](http://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](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
   a) June 13, 2017 Regular Meeting
   b) June 23, 2017 Special Meeting

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) Citizens’ Advisory Committee Resolution in Support of Equitable Green Infrastructure Implementation throughout the Southeast Sector of San Francisco and throughout the City
   e) Water Supply Conditions Update
   f) Status of Large Development Projects in the Water Service Area
   g) Status of Record Retention Policy
   h) Street Light Program Update
   i) Water Supply Agreement Update

6. Other Commission Business

7. Report of the General Manager
   a) CleanPowerSF Update

8. San Francisco Groundwater Program 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 Amendment No. 2 to Agreement No. CS-167.A**, Comprehensive Technical Services for Renewable & Advanced Energy Generation Systems, with AEPC Group, LLC, to provide continued assistance with the evaluation, project development, permitting, project implementation, and construction of renewable and advanced energy technologies and projects; and authorize the General Manager to execute this amendment, **extending the term by one year**, for a total agreement duration of six years, with no change to the agreement amount. (Hale)

b) **Approve Amendment No. 2 to Agreement No. CS-167.B**, Comprehensive Technical Services for Renewable & Advanced Energy Generation Systems with Black & Veatch Corporation, to provide continued assistance with the evaluation, project development, permitting, project implementation, and construction of renewable and advanced energy technologies and projects; and authorize the General Manager to execute this amendment, **extending the term by one year**, for a total agreement duration of six years, with no change to the agreement amount. (Hale)

c) **Accept** work performed by Shimmick Construction Company, Inc., for **Contract No. WD-2651R**, Peninsula 2011 Watershed Compensation, Sherwood Point; Adobe Gulch Creek; Skyline Quarry; Skyline Boulevard Point; and Upper San Mateo Creek Project; **Approve Modification No. 7 (Final)**, decreasing the contract amount by $239,151, for a total contract amount of $4,440,428; and **authorize** final payment to the contractor. (How)

d) **Accept** work performed by Azul Works, Inc., for **Contract No. WD-2745**, Auxiliary Water Supply System – New Cisterns D; **Approve Modification No. 6 (Final)**, decreasing the contract amount by $74,714, to reconcile final payment items to reflect actual quantities used under unit price and allowance bid items, for a total contract amount of $4,234,620, and with a **time extension of 114 consecutive calendar days** (approximately four months), for a total contract duration of 569 consecutive calendar days (approximately one year, seven months); and **authorize** final payment to the contractor. (How)

e) **Accept** work performed by Shaw Pipeline, Inc., for **Contract No. WW-590**, Bryant Street Sewer Replacement and Pavement Renovation; **Approve Modification No. 2 (Final)**, decreasing the contract by $116,560, for a total contract amount of $1,734,718, and with a **time extension of 139 consecutive calendar days** (approximately four and one-half months), for a total contract duration of 326 consecutive calendar days (approximately 10 months, 26 days); and **authorize** final payment to the contractor. (How)

f) **Approve** the plans and specifications, and **award** **Contract No. WW-651**, Griffith Pump Station Improvements, **in the amount of $10,941,000**, to the lowest, qualified, responsible and responsive bidder, Western Water Contractors, Inc., to replace or refurbish the aging mechanical, electrical, and instrumentation & controls systems of the entire pump station. This proposed 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.

(How)

g) **Approve** the plans and specifications, and **award Contract No. WW-661,** As-Needed Sewer Cleaning and Inspection (FY18), **for a total contract amount not-to-exceed $1,288,745,** to the lowest, qualified, responsible and responsive bidder, Pipe and Plant Solutions, Inc., to clean and inspect existing sewers, on an as-needed basis, at locations to be determined throughout San Francisco. The proposed action is the Approval Action as defined in the San Francisco Administrative Code, Chapter 31.

(How)

h) **Authorize** the General Manager to **amend FY 2018 Capital Plan Bond Authorization** (Commission Resolution 16-0035), to include the costs to finance the Rollins Road Property purchase, **for an amount not-to-exceed $9,132,962.**

(Sandler)

REGULAR CALENDAR

10. Discussion and possible action to **authorize** the General Manager to execute an **Installment Sale Agreement and Grant** and future amendments to secure a State Revolving Fund loan and grant for the Water Enterprise San Francisco Westside Recycled Water Project, **in a combined amount not-to-exceed $186,220,000.**

(Sandler)

11. Discussion and possible action to **authorize** the General Manager to execute an **Installment Sale Agreement** and related future amendments to secure a State Revolving Fund Loan for the Wastewater Enterprise North Point Facility Outfall System Rehabilitation Project, **in an amount not-to-exceed $20,199,435.**

(Sandler)

12. Discussion and possible action to **authorize** the General Manager to execute an **Installment Sale Agreement** and related future amendments to secure a State Revolving Fund Loan for the Wastewater Enterprise Southeast Water Pollution Control Plant Primary/Secondary Clarifier Upgrades Project, **in an amount not to exceed $34,445,778.**

(Sandler)

13. Discussion and possible action to **authorize** the General Manager to execute an **Installment Sale Agreement** and related future amendments to secure a State Revolving Fund Loan for the Wastewater Enterprise Southeast Water Pollution Control Plant 521/522 and Disinfection Upgrades Project, **in an amount not-to-exceed $40,006,740.**

(Sandler)

14. Discussion and possible action to **authorize** the General Manager to execute the **Water Enterprise 24th Supplemental Indenture** as it relates to entering into a State Revolving Fund Loan for the San Francisco Westside Recycled Water Project.

(Sandler)

15. Discussion and possible action to **authorize** the General Manager to execute the **Wastewater Enterprise 5th Supplemental Indenture** as it relates to
16. **Approve** forms of **credit facility agreements in the principal amounts not to exceed $100 Million** with Bank of America, NA, $100 Million with Barclays Bank PLC, and $100 Million with US Bank National Association, to replace expiring agreements of the Water Commercial Paper Program, and that provides interim funding of the Water Enterprise Capital Program; and **authorize** the General Manager to enter into agreements with Bank of America, Barclays, and US Bank. (Sandler)

17. **Approve** a form of **credit facility agreement with US Bank National Association in the principal amount not to exceed $75 million**, that replaces an expiring agreement of the Wastewater Commercial Paper Program, and that provides interim funding of the Wastewater Enterprise Capital Program; and **Authorize** the General Manager to enter into an agreement with US Bank. (Sandler)

18. **Authorize** the General Manager to execute, on behalf of the City and County of San Francisco, a **Memorandum of Understanding** between the San Francisco Public Utilities Commission, the San Mateo County Resource Conservation District, Coastside County Water District, and Sewer Authority Mid-Coastside, for the continued operation and maintenance of the Pilarcitos Creek at Half Moon Bay Gauging Station USGS# 11162630, **for an amount not to exceed $11,588, and with a duration of 29 months** (two years, five months). (Ritchie)

19. **Authorize** the General Manager to execute a **Memorandum of Understanding** with War Memorial Board of Trustees for the SFPUC Power Enterprise to install and operate an onsite solar electric system at the War Memorial Opera House, located at 301 Van Ness Avenue, San Francisco, CA. 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. (Hale)

20. **Approve Amendment No. 1 to Agreement No. CS-227**, Marketing Outreach for CleanPowerSF, with Davis and Associates Communications, to provide public education, community engagement, marketing, and advertising services for CleanPowerSF; and **authorize** the General Manager to execute this amendment, **increasing the agreement by $1,400,000**, for a total not-to-exceed agreement amount of $2,800,000, and **with a time extension of four years**, for a total agreement duration of nine years and 20 days. (Hale)

21. **Approve** the plans and specifications, and **award Contract No. WW-646**, As-Needed Spot Sewer Replacement No. 36, **for a total contract amount not-to-exceed $7,796,038**, to the lowest, qualified, responsible and responsive bidder, J. Flores Construction, Inc., to replace sections of existing sewer piping, on an as-needed basis, at locations to be determined throughout San Francisco. The
proposed action is the Approval Action as defined in Chapter 31 of the San Francisco Administrative Code. (How)

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

23. 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:

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

Existing Litigation

 Restore Hetch Hetchy v City and County of San Francisco
California Court of Appeal, Fifth Appellate District Court, Case No.: F074107
City Law No.: 151139 / Date Filed July 12, 2016

25. Conference with Legal Counsel Pursuant to California Government Code Section 54956.9 (d) (2) and San Francisco Administrative Code Section 67.10 (d) (2) (Roddy)

Anticipated Litigation as Defendant

26. Pursuant to Government Code Section 54957 (b) (1) and San Francisco Administrative Code Section 67.10(b), Public Employee Performance Evaluation of Harlan L. Kelly, Jr., General Manager of the San Francisco Public Utilities Commission

27. Pursuant to Government Code Section 54957 (b) (1) and San Francisco Administrative Code Section 67.10(b), and Charter Section 8B.126(a), Terms of Employment for Harlan L. Kelly, Jr., as General Manager of the San Francisco Public Utilities Commission

28. 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
29. 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

30. 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

31. 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

32. 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
Case No.: ER15-735-000/Date Filed: December 23, 2014

33. **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*
34. Announcement following Closed Session.
35. Motion regarding whether to disclose the discussions during Closed Session.
36. Other New Business.
37. Adjournment.