MINUTES
Tuesday, November 13, 2012
(Approved 12/11/12)

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

Commissioners
Art Torres, President
Vince Courtney, Vice President
Ann Moller Caen
Anson Moran
Francesca Vietor

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
ORDER OF BUSINESS:

1. Call to Order
President Torres called the meeting to order at 1:36 PM.

2. Roll Call
Roll was called with Commissioners Torres and Courtney present. President Torres noted that the meeting would begin without a quorum and called for public comment, with no action items to be considered until a quorum was present.

Commissioner Caen arrived at 1:40 PM – quorum present.

3. Approval of Minutes of October 23, 2012
On motion to approve the minutes of October 23, 2012
AYES: Torres, Courtney, Caen

4. Public Comments
   • Ms. Espinola Jackson, Black Human Rights Leadership Council, encouraged the General Manager to visit the Bayview Community to listen to their concerns. She asked for follow-up to her request for a list SFPUC staff who reside in the Bayview.
   • Mr. Francisco DaCosta expressed his concerns with the lack of jobs in the Bayview and stated the need for career training.
   • Mr. Andrew Lispet expressed his desire that rates remain as low as possible.
   • Mr. Robert Woods, Black Human Rights Leadership Council, expressed the need for a jobs program in the Bayview.
   • Mr. Eric Brooks, San Francisco Green Party and grassroots organization, “Our City”, expressed his concerns with the quality of the water at Treasure Island since the main break and requested extra testing of the water for radioactive contamination.

5. Communications
   a) Advance Calendar
   b) Letter Summary
   c) Quarterly Audit and Performance Review Reports
      • Citywide Payroll Audit (SFPUC)
      • SFPUC Community Assistance Program Performance Audit
      • Civil Grand Jury Report – San Francisco Technology
      • SFPUC Water Enterprise Efficiency Review of 24/7 Dispatch
      • HHWP, CCSF Greenhouse Gas Verification Report 2011
   d) Water Enterprise Capital Improvement Program Quarterly Report – Local
   e) Water Enterprise Capital Improvement Program Quarterly Report – Regional
   f) WSIP Quarterly Report – Local
   g) WSIP Quarterly Report – Regional
   h) 2011 Energy Benchmarking Report for SF Municipal Buildings
   i) Addendum to WSIP 2011-12 Annual Report
   j) Status of WSIP Construction Change orders Q1 FY-12
k) Status on the Calaveras Dam Replacement Project
l) Response to BAWSCA letter Regarding WSIP Annual Report

6. Other Commission Business
   a) Adoption of 2013 SFPUC meeting schedule

   **On motion to approve item 6**
   **AYES: Torres, Courtney, Caen**

7. Report of the General Manager
   a) Recognition of the retirement of San Mateo County Supervisor Rose Jacobs
      Gibson
   b) CleanPowerSF Update
      Ms. Barbra Hale, Assistant General Manager, Power, provided a brief update on
      the CleanPowerSF Program including the Customer Notification and Education
      Plan and proposed timeline.
   c) Annual Financial Audits and Auditor Presentation
      Mr. Todd Rydstrom, CFO, gave a brief presentation and discussion ensued
      regarding the SFPUC annual financial audits. He noted that it was the fourth year
      of clean audits with no material findings. He introduced Ms. Tiffany Rasmussen,
      KPMG independent financial auditor.
   d) Quarterly Budget Report
      Mr. Todd Rydstrom, CFO, stated that water sales were up three percent each for
      retail and wholesale customers. Mr. Rydstrom briefly discussed key budget
      variances, fund balance reserves, and key reserve ratios.
   e) WSIP Update
      Ms. Julie LaBonte, WSIP Director, provided a status update to the Water System
      Improvement Program. She stated that the forecast for regional projects is
      $150.6M above the approved budget due to problems with the Calaveras Dam
      Replacement Project. She noted that, due to the Calaveras contingency budget
      and the program management reserves, the overall project will be delivered on-
      budget. Ms. LaBonte addressed program accomplishments, discussed the status
      of upgrades to treatment plants and the progress on the tunnels. She provided a
      short status update on the Calaveras Dam Project and referred to the memo
      provided to the Commission further detailing Project. She closed by presenting
      the time and cost impacts, remaining project risks and discussed next steps.

Public Comments
   - **Mr. Francisco DaCosta** stated the need for line-item detail on CleanPowerSF
     so customers know what they are paying for. He noted his concern with the
     duration of stakeholder group meetings.
   - **Mr. Eric Brooks**, San Francisco Green Party and grassroots organization,
     “Our City”, stated that the BOS legislation adopted a five-year rather than a
     four and a half year Shell contract, and requested that staff look into it the
     discrepancy. He also expressed concerns with the stakeholder group
     meetings.
• Mr. Art Jensen, BAWSCA, expressed his gratitude for Ms. LaBonte’s presentation and noted that BAWSCA will continue to monitor the Program.

8. CONSENT CALENDAR

da) Approve the plans and specifications, and award Contract WW-498, John/Spofford/Sutter/Post/Geary/O'Farrell Streets Brick Sewer Rehabilitation, in the amount of $2,302,690, to the lowest, qualified, responsible and responsive bidder, A. Ruiz Construction. (Resolution 12-0201)

b) Approve the plans and specifications, and award Contract WW-554, Various Locations Sewer Replacement and Pavement Renovation, in the amount of $2,618,653 (of which $1,549,083 is funded by WWE and $1,069,570 is funded by DPW), to the lowest, qualified, responsible and responsive bidder, D'Arcy & Harty Construction. (Resolution 12-0202)

c) Approve Modification No. 2 to Contract WD-2445, 8-Inch Ductile Iron Main Installation on Second, New Montgomery, Stevenson, Minna and Annie Streets, with P & J Utility Company, increasing the contract duration by 76 consecutive calendar days, for a total contract duration of 389 consecutive calendar days, with no change to the contract amount. (Resolution 12-0203)

d) Approve Amendment No. 2 to Agreement PS-108, Feral Pig Management Services, with Rural Pig Management, Inc.; Authorize the General Manager to execute the amendment increasing the agreement by $75,000, for a total not-to-exceed agreement amount of $250,000, and with a time extension of one year, and six months, for a total agreement duration of five years. (Resolution 12-0204)

e) Approve the Assignment and Novation Agreement for CS-896, As-Needed Laboratory Analytical Services; and authorize the General Manager to execute an Assignment and Novation of the existing Contract from MWH Laboratories, Inc. to Eurofins Eaton Analytical, Inc. (Resolution 12-0205)

f) Approve Amendment No. 2 to Agreement CS-979(I), with Dots Printing and Stationery. Authorize the General Manager to execute the amendment increasing the agreement by $14,000, for a total not-to-exceed agreement amount of $49,900, and with a time extension of one year and six months, for a total agreement duration of five years. (Resolution 12-0206)

g) Approve the terms and conditions and authorize the General Manager to execute a five-year Revocable Permit with the Lutheran Church of Our Savior of San Francisco and the Young Men's Christian Association of San Francisco, for $4,320 per year, for the use of SFPUC land at 1011 Garfield Street, San Francisco, California. (Resolution 12-0207)

h) Approve the terms and conditions and authorize the General Manager to execute a five-year Revocable Permit the City of Burlingame to use and maintain
approximately .32 acres of SFPUC property, Parcel 23, located along California Drive between Sanchez and Majilla Avenue in the City of Burlingame, with no use fee. The 2012 Permit will replace an existing permit issued to the City of Burlingame on January 16, 1956. (Resolution 12-0208)

i) Approve the selection of and award Agreement Nos. CS-203A-D, to CH2MHill-Avila, Joint Venture (CS-203A); Brown & Caldwell-SRT, Joint Venture (CS-203B); F.E. Jordan Associates (CS-203C); and Kennedy Jenks-WRE, Joint Venture (CS-203D). Authorize the General Manager to negotiate and execute the professional services agreements for an amount not-to-exceed $4,000,000 each, for a cumulative total amount of $16,000,000 and with a duration of five years per agreement. (Resolution 12-0209)

- No Public Comment.

On motion to approve items 8a through 8i
AYES: Torres, Courtney, Caen

9. Accept work performed by PCL Civil Constructors Inc. for Contract DB-116, Tesla Treatment Facility. Approve Modification No. 39 (final) decreasing the contract amount by ($188,350), reducing the total contract amount to $87,580,623, and extending the contract duration by 58 consecutive calendar days for a total contract duration of 1,312 consecutive calendar days; and authorize final payment to the contractor.

At the request of staff, item 9 was removed from the calendar and will be rescheduled at a later date.

10. Authorize the Issuance of Refunding Wastewater Revenue Bonds of up to $250,000,000 to Refinance Wastewater Enterprise Revenue Bonds, Series 2003A and State Revolving Fund Loans, and the Issuance of up to $420,000,000 in new Wastewater Revenue Bonds under Proposition E to fund Wastewater Capital Projects. (Resolution 12-0210)

Mr. Rydstrom introduced this item, noting that the $250M in refundings will save approximately $43M for the ratepayers.

- No Public Comment.

On motion to approve item 10
AYES: Torres, Courtney, Caen

11. Authorize the General Manager to execute a Grant Agreement with the Laborers’ Training and Retraining Trust Fund for Northern California. The estimated cost of services is $250,000 for year one and $175,000 per year for years two and three. (Resolution 12-0211)
Commissioner Courtney, for full disclosure and transparency, noted that he serves as the Executive Director of the Laborers Community Training Foundation, a local entity connected directly to the Local Union 261 in San Francisco. Commissioner Courtney noted that the item before the Commission is separate and apart from Local 261 and the Foundation and will serve as a training center.

Public Comment
- Mr. Francisco DaCosta expressed his gratitude for the training program and for the benefits the training program will provide for disadvantaged youth.

On motion to approve item 11
AYES: Torres, Courtney, Caen

12. Approve the terms and conditions and authorize the General Manager to execute a three-year Revocable Permit with Coastside County Water District, for no use fee. (Resolution 12-0212)

- No Public Comment.

On motion to approve item 12
AYES: Torres, Courtney, Caen

13. Approve terms and conditions and authorize the General Manager to execute a 20 year lease with Los Altos Hotel Associates, LLC for approximately 47,916 square feet of land known as Bay Division Pipelines 3 & 4, Parcel 232A, located in Los Altos, for a $4,360 monthly rent, subject to Board of Supervisors approval pursuant to Charter Section 9.118. (Resolution 12-0213)

- No Public Comment.

On motion to approve item 13
AYES: Torres, Courtney, Caen

14. Approve Modification No. 1 to the Agreement between the State of California Department of Parks and Recreation and The City and County of San Francisco regarding implementation of the Mitchell Ravine Long Term Stabilization Plan, increasing the Agreement by $112,253, for a total Agreement amount of $1,451,753. (Resolution 12-0214)

- No Public Comment.

On motion to approve item 14
AYES: Torres, Courtney, Caen

15. Approve Amendment No. 1 to Agreement CS-208, Auxiliary Water Supply System Technical Advisory Services. Authorize the General Manager to execute the amendment increasing the agreement by $100,100, for a total not-to-exceed amount
of $150,000, and increasing the agreement duration by 15 months, for a total agreement duration of three years and three months. (Resolution 12-0215)

- No Public Comment.

**On motion to approve item 15**  
**AYES: Torres, Courtney, Caen**

16. Public Hearing, discussion and possible action to approve a 2012 Updated CCA Implementation Plan and Statement of Intent. Authorize the General Manager to File the Updated Implementation Plan with the California Public Utilities Commission for Certification. (Resolution 12-0216)

- No Public Comment.

**On motion to approve item 16**  
**AYES: Torres, Courtney, Caen**

17. Adopt a Procurement Plan, as required under the San Francisco Public Utilities Commission’s Enforcement Program, to allow the SFPUC to meet the requirements of the California Renewable Portfolio Standard. (Resolution 12-0217)

Commissioner Courtney requested that staff provide a copy of the stakeholder group sign-in sheet.

**Public Comment**

- Mr. Eric Brooks, San Francisco Green Party and grassroots organization, “Our City”, noted the participants he has observed at the stakeholder group and encouraged for the meetings to be longer in duration. He expressed his concerns with the opt-in/opt-out process.

**On motion to approve item 17**  
**AYES: Torres, Courtney, Caen**

18. Public comments on matters to be discussed in Closed Session.

- No Public Comment.

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

**On motion TO ASSERT**  
**AYES: Torres, Courtney, Caen**
CLOSED SESSION

20. Conference with Legal Counsel - Pursuant to California Government Code Section 54956.9(b) and San Francisco Administrative Code Section 67.10 (d) (2). Anticipated Litigation – As Defendant (Ambrose)

21. Conference with Legal Counsel - Pursuant to California Government Code Section 54956.9(c) and San Francisco Administrative Code Section 67.10 (d) (2). Anticipated Litigation – As Plaintiff (Ambrose)

22. Announcement following closed session.
   President Torres stated that no action was taken during Closed Session.

   President Torres noted that the Regular Meeting of November 27 has been cancelled.

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

   On motion NOT TO DISCLOSE
   AYES: Torres, Courtney, Caen

24. Other new business.
   None.

   President Torres adjourned the meeting at 3:15 PM