SAN FRANCISCO PUBLIC UTILITIES COMMISSION
City and County of San Francisco

Edwin M. Lee
MAYOR

MINUTES
Tuesday, July 9, 2013
(Approved 7-23-13)

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
Francesca Vietor
Anson Moran

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
ORDER OF BUSINESS:

1. Call to Order
   President Torres called the meeting to order at 1:34 PM.

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

3. Approval of Minutes of June 25, 2013
   On motion to approve the Minutes of June 25, 2013:
   Ayes: Torres, Courtney, Caen, Vietor and Moran

4. Public Comments
   • Mr. Francisco DaCosta stated there is need for community outreach and
     communications regarding the Sewer System Improvement Program.

5. Communications
   a) Advance Calendar
   b) Letter Summary

   Public Comments
   None.

6. Other Commission Business
   None.

7. Report of the General Manager
   General Manager Kelly, Jr., noted the passing of Ms. Willie B. Kennedy and
   expressed condolences to her family and colleagues.

   Public Comments
   None.

8. CONSENT CALENDAR
   a) Approve the Water Supply Assessment for the proposed Event Center and
      Mixed-Use Development Project at Piers 30-32 and Seawall Lot 330, pursuant to
      the State of California Water Code Section 10910 et seq, and California
      Environmental Quality Act (CEQA) Section 21151.9 and CEQA Guidelines
      Section 15155. (Resolution 13-0109)

   b) Approve the Water Supply Assessment for the proposed Potrero HOPE SF
      Master Plan, pursuant to the State of California Water Code Section 10910 et
      seq, and California Environmental Quality Act (CEQA) Section 21151.9 and
      CEQA Guidelines Section 15155. (Resolution 13-0110)
c) **Approve the Water Supply Assessment for the proposed Sunnydale-Velasco HOPE SF Master Plan, pursuant to the State of California Water Code Section 10910 et seq. and California Environmental Quality Act (CEQA) Section 21151.9 and CEQA Guidelines Section 15155.** (Resolution 13-0111)

d) **Accept work performed by JMB Construction for Contract No. WW-410, Cesar Chavez Street Sewer System Improvement; Approve Modification No. 8 (Final), to adjust final quantities and cost for all bid items and previous change orders to match final installed conditions, increasing the contract amount by $20,331, for a total contract amount of $19,093,566, and authorize final payment.** (Resolution 13-0112)

e) **Approve the plans and specifications, and award Contract No. WW-550, 20th/Arkansas/Connecticut/ Mississippi/Missouri and Wisconsin Streets Sewer Replacement and Pavement Renovation, in the amount of $3,372,390, to the lowest, qualified, responsible and responsive bidder, Precision Engineering, to replace the existing sewer and renovate the existing street pavement on the subject streets.** (Resolution 13-0113)

f) **Approve the plans and specifications, and award Contract No. HH-954R2, Early Intake Refurbishment, Phase I, in the amount of $2,763,109, to the lowest, qualified, responsible and responsive bidder, Communications Services Inc., to replace aging equipment at the Early Intake Switchyard including disconnect switches, high voltage circuit breakers, insulators, capacitors, voltage transformers, fencing and other miscellaneous items.** (Resolution 13-0114)

Public Comments
None.

9. **Authorize the General Manager or his designee to execute Grant agreements with applicants for Grant Assistance for Large Alternate Water Source Projects. The purpose of the grants is to offset the use of potable water through the collection, treatment and reuse of alternate water sources. The grant program is being expanded in coordination with the City’s Non-potable Water Ordinance to allow for the district-scale (multi-parcel) use of non-potable water.** (Resolution 13-0115)

*Mr. Steve Ritchie provided brief detail on this item.*

Public Comments
None.

10. **Authorize the General Manager to execute a Memorandum of Understanding by and between the SFPUC and San Francisco Recreation and Parks Commission regarding management of the Lake Merced Tract.**
President Torres stated that this item was being continued to the July 23, 2013 meeting.

11. Public Hearing: Discussion and possible action regarding schedules of rates and charges of the San Francisco Public Utilities Commission Power Enterprise for Phase One of the CleanPowerSF Community Choice Aggregation Program for renewable power procurement within San Francisco.

Commissioner Vietor sought and received clarification from Deputy City Attorney Ambrose regarding the proper wording for the initial motion and subsequent amendment she wanted put before the Commission.

Commissioner Vietor moved and received a second to hear the resolution on the Not-to-Exceed rate.

Commissioner Vietor moved and received a second to amend the resolution from 11.9 cents to 11.5 cents, as a Not-to-Exceed rate.

Commissioner Vietor provided a brief recap of the morning discussion regarding the Not-to-Exceed rates (NTE), clarifying that the action before the Commission was not to approve or launch the program, but rather adopt the Not-to-Exceed rate.

After limited discussion clarifying the action to be taken, it was noted that public comment would be accepted on the proposed amendment to reduce the NTE rate.

Public Comments
- Mr. Francisco DaCosta stated that the purpose of the amendment was to tell PG&E that the SFPUC could bring the same number and product as they can, which he stated SFPUC cannot. He wants to see empirical data.
- Mr. Jed Holtzman expressed his support for the amendment, noting the lower rate is critical for buy-in.
- Jess Dervin-Ackerman, Sierra Club, expressed support for the amendment. She presented a letter of support from advocates.
- Mr. Eric Brooks thanked staff for their work in reducing the rates and expressed support for the amendment. He noted a desire for a citywide energy efficiency program.
- June Brashares, Local Clean Energy Alliance, expressed her support for the amendment.
- Ben Pittenger stated that the public and press need to understand that the NTE rate is a cap, and feels they will see it as the set rate. He expressed support for the amendment.
- Arthur Feinstein, Sierra Club, urged the Commission to vote on the issue as soon as possible and expressed support for the amendment.
On Motion to amend the resolution from 11.9 cents to 11.5 cents, as a Not-to-Exceed rate:
AYES: Torres, Courtney, Caen, Vietor and Moran.

Commissioner Moran moved and received second to continue the item until no later than August 13, 2013, and direct staff to communicate with Labor representatives.

Public Comments
- Mr. Eric Brooks, in follow-up to his previous comment, clarified his thoughts on energy efficiency.
- Jess Dervin-Ackerman, Sierra Club, asked for clarification from President Torres on his intent regarding a vote on the item, which he provided.
- Mr. Francisco DaCosta stated he has been involved with the issue for a long time and wants Labor involved in the discussions.
- Mr. Peter Drekmeier, Palo Alton’s for Green Energy, stated that Palo Alto recently went carbon neutral on electricity and signed solar contracts. He expressed his thanks for the work of the SFPUC.

On Motion to continue the item until no later than August 13, 2013, and direct staff to communicate with Labor representatives:
AYES: Torres, Courtney, Caen and Moran
NO: Vietor

CLOSED SESSION
President Torres stated that Closed Session would not be held.

No other new business.

President Torres adjourned the meeting at 2:08 PM.