SAN FRANCISCO PUBLIC UTILITIES COMMISSION
City and County of San Francisco

Edwin M. Lee
MAYOR

AGENDA
Tuesday, January 14, 2014
NOTE EARLIER START TIME

11:00 A.M.
1 Dr. Carlton B. Goodlett Place
City Hall, Room 400
San Francisco, CA 94102

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

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
**Disability Access:** The Public Utilities Commission meeting will be held in Room 400, at One 1 Dr. Carlton B. Goodlett Place, (400 Van Ness Avenue), 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 Oceanview, N Judah and T Third at Van Ness and Civic Center Stations; F Market Line; and bus routes 19 Polk, 47 Van Ness, 49 Mission Van Ness, 5 Fulton, 6 Parnassus, 21 Hays, 9 San Bruno, 9L San Bruno Limited, 71 Haight Noriega and 71L Noriega Limited. For more information about MUNI accessible services call (415) 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) 554-3165, or by emailing dhood@sfwater.org. Providing at least 72 hours notice will help to ensure availability. 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 accommodate these individuals.

**Know your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code):** Government’s duty is to serve the public, reaching its decisions 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. Members of the public are not required to provide personal identifying information when they communicate with the Commission or the Department. All written or oral communications, including submitted personal contact information, may be made available to the public for inspection and copying upon request and may appear on the Department’s website or in other public documents.

For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force, City Hall, Room 409, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102-4683 at Phone No.: (415) 554-7724; Fax No.: (415) 554-7854; E-mail: sotf@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 www.sfgov.org.

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 Chair 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.

**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.sfplanning.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 December 10, 2013

4. 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. FY 2014-15 and FY 2015-16 Budget Hearings
   a) Power Enterprise Workshop
   b) Hetch Hetchy Water and Power Proposed Budget
      i. Hetch Hetchy Power Presentation
      ii. Hetch Hetchy Power Budget Summary
      iii. Hetch Hetchy Power Operating Budget
      iv. Hetch Hetchy Power Ten-Year Capital and Programmatic Plans
      v. Hetch Hetchy Power Financial Plans and Rates
      vi. Hetch Hetchy Water Presentation
      vii. Hetch Hetchy Water Budget Summary
      viii. Hetch Hetchy Water Operating Budget
      ix. Hetch Hetchy Water Ten-Year Capital and Programmatic Plans
      x. Hetch Hetchy Water Financial Plans and Rates

6. Communications
   a) Advance Calendar
   b) Letter Summary
   c) Comprehensive Annual Financial Report (CAFR)
   d) Popular Annual Financial Report (PAFR)
   e) 2012-13 SFPUC Ratepayer Assurance Scorecard
   f) Recreation and Park Bond Allocation Update
   g) Rim Fire Water Quality Report

7. Other Commission Business

   a) Water Supply 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,
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. 1 to Agreement No. CS-991, Preliminary Design and Environmental Services, Power Transmission Project, with URS Corporation, to provide preliminary engineering design, cost estimating and environmental analysis services; and authorize the General Manager to extend the Agreement by five years for a total contract duration of eight years, six months, with no increase to the Agreement value. (How)

b) Approve the plans and specifications, and award Contract No. WD-2697, Auxiliary Water Supply System (AWSS) – New Cisterns C, in the amount of $4,147,000, to the lowest, qualified, responsible and responsive bidder, Cal State Constructors, Inc., to construct five new AWSS buried concrete cisterns at 18th Ave. and Ulloa St.; 21st Ave. and Ocean Ave.; Funston Ave. and Geary Blvd.; San Buenaventura Way and St. Francis Blvd.; and Yerba Buena Ave. and St. Elmo Way. The proposed action is the Approval Action as defined in the San Francisco Administrative Code, Chapter 31. (Cruz)

c) Approve the plans and specifications, and award Contract No. WD-2705, Town of Sunol Fire Suppression System, in the amount of $5,702,680, to the lowest, qualified, responsible and responsive bidder, Azul Works, Inc., to upgrade the Town of Sunol water system in order to meet the terms of the March 30, 2010 Memorandum of Understanding between the SFPUC and Alameda County. The proposed action is the Approval Action as defined in the San Francisco Administrative Code, Chapter 31. (Cruz)

d) Approve an increase in the construction contract cost contingency for Contract No. WW-514R Southeast Water Pollution Control Plant Medium Voltage System Reliability Upgrades, with NTK Construction, Inc., in the amount of $99,796; and an increase in the contract duration contingency by 90 consecutive calendar days; and Authorize the General Manager or his designee to approve future modifications to the contract for a total revised contract amount of $2,422,100, and a total revised contract duration up to 930 consecutive calendar days. (Moala)

e) Approve an increase in the construction contract cost contingency for Contract No. WW-525, Southeast Water Pollution Control Plant Northside Facility Reliability Upgrades Phase 2, with NTK Construction, Inc., in the amount of
$470,997; and Authorize the General Manager or his designee to approve future modifications to the contract for a total revised contract amount not to exceed $12,746,997. (Moala)

f) Approve Modification No. 3 to Contract No. WW-541, Southeast Water Pollution Control Plant Oxygen Generation Plant Replacement, with NTK Construction Inc., to account for electrical code compliance requirements and coordination related to electrical service to the new oxygen generation plant, extending the contract duration by 60 consecutive calendar days, for a total contract duration of 389 consecutive calendar days, with no change to the contract amount. (Moala)

g) Approve the plans and specifications, and award Contract No. WW-568, 18th/25th/35th/47th Avenues and Delancey/Felton/Fern/Hawes/Madrid/Steiner Streets Sewer Replacement, in the amount of $2,354,290, to the lowest, qualified, responsible and responsive bidder, J. Flores Construction, to replace the existing sewers on the subject streets. The proposed action is the Approval Action as defined in the San Francisco Administrative Code, Chapter 31. (Moala)

h) Authorize the General Manager to execute a Memorandum of Agreement with the City of San Bruno for an amount not to exceed $65,000 and with a duration of 18 months for the purpose of funding and conducting an Emergency Water Storage Alternatives Analysis to provide information regarding the potential effect of the SFPUC’s proposed Regional Groundwater Storage and Recovery Project on the availability of emergency water storage within San Bruno's pressure zone 1/4. (Ritchie)

REGULAR BUSINESS

10. Authorize the General Manager to negotiate the terms and conditions of a Tenant Improvement Letter with 544 Golden Gate Associates, LLC to accompany the 544 Golden Gate Avenue Office Lease approved by the Commission on December 10, 2013. The total cost of the work and services performed by Landlord pursuant to the Work Letter shall not exceed $400,000. (Cruz)

11. Approve Project No. CUW30102, San Francisco Groundwater Supply Project; Adopt the required California Environmental Quality Act Findings, including a Statement of Overriding Considerations, and the Mitigation Monitoring and Reporting Program; and authorize the General Manager to implement the Project, in compliance with the Charter and applicable law, and subject to Board of Supervisors approval where required. (Cruz)

12. Public Comments on matters to be discussed in Closed Session.
13. 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:

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

Existing Claim
Lee
City Attorney Claim Nos. 13-02152 & 14-00834
Date Filed: March 21, 2013
Material terms of the proposed settlement of the unlitigated claim arising from a water main break in the vicinity of 15th Ave and Wawona are as follows:
Payment of $120,000.00 in exchange for a full and final release of all liability.

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

Existing Litigation
State Farm vs. City and County of San Francisco
City Attorney Claim No. 12-02565
Superior Court Case No.: CGC-13-532539
Filed: May 2, 2013

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

Existing Claim
CSSA Insurance Company v. City and County of San Francisco
City Attorney Claim No. 14-00504
Filed: August 30, 2013

17. Conference with Legal Counsel – Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 67.10 (d) (1) (O’Neil)

Existing Litigation:
Mark Pear and Matt Pear v. City and County of San Francisco
Santa Clara Superior Court Case No.: 1-12-CVC-227801
City Attorney File Number: 130094
Date Filed: July 5, 2012
18. 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:  
City and County of San Francisco v. Pacific Gas & Electric Company  
San Francisco Superior Court Case No.: CGC-13-529309  
City Attorney File No. 0000657/Date Filed March 6, 2013: Served June 6, 2013  

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).  
(Mueller)  
Existing Litigation:  
City and County of San Francisco v. Pacific Gas & Electric Company  
San Francisco Superior Court Case No.: CGC-13-529310  
City Attorney File No. 0000657/Date Filed June 6, 2013  

20. 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 Company, v. City and County of San Francisco  
Court of Appeal of the State of California, First Appellate District, Division Five  
Case No.: A127554/Date Filed: January 29, 2010  

21. Conference with Legal Counsel- Pursuant to California Government Code Section 54956.9 (d) (4) and San Francisco Administrative Code Section 67.10 (d) (2).  
(Mueller)  
Anticipated Litigation as Plaintiff  

22. Conference with Legal Counsel- Pursuant to California Government Code Section 54956.9 (d) (4) and San Francisco Administrative Code Section 67.10 (d) (2).  
(Ambrose)  
Anticipated Litigation as Plaintiff  

23. Conference with Legal Counsel- Pursuant to California Government Code Section 54956.9 (d) (4) and San Francisco Administrative Code Section 67.10 (d) (2).  
(Roddy)  
Anticipated Litigation as Plaintiff  

24. Threat to Public Services or Facilities – Pursuant to California Government Code Section 54957 and San Francisco Administrative Code 67.10 (a).  
(Barrett)  
Consultation with Agency Chief of Security concerning security of SFPUC Water and Power Systems.
Following Closed Session, the Commission will reconvene in Open Session.

25. Announcement following Closed Session

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

27. Other new business

ADJOURNMENT