SAN FRANCISCO PUBLIC UTILITIES COMMISSION
City and County of San Francisco

Edwin M. Lee
MAYOR

MINUTES
Tuesday, February 25, 2014
As Approved on March 11, 2014

1:30 P.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
1. **Call to Order**  
President Courtney called the meeting to order at 1:40 PM.

2. **Roll Call**  
Present: Courtney, Moran, and Torres

3. **Approval of the Minutes of February 11, 2014**  
On Motion:  
Courtney, Moran, and Torres

Public Comments:  
None.

4. **Public Comments**  
- Ms. Yolanda Lewis, BEE Coalition, stated those in the Southeast Sector need to receive Community Benefits through infrastructure projects.

   President Courtney noted an earlier rally on the City Hall steps related to local hiring, and stated that labor organizations are looking for workers.

5. **Communications**  
   a) Advance Calendar  
   b) Letter Summary  
   c) Hetch Hetchy Water and Power Enterprises Capital Improvement Program Quarterly Reports  
   d) Wastewater Enterprise Capital Improvement Program Quarterly Report  
   e) WSIP Change Order Summary  
   f) Budget Hearing Follow-Up Questions and Responses to Date

Public Comments  
None.

6. **Other Commission Business**  
None.

7. **Report of the General Manager**  
   a) Recognition of Gayle Ciardi’s Retirement and 32 Years of Service  
   Deputy General Manager (DGM) Michael Carlin summarized the career of Ms. Ciardi, the first female SFPUC watershed keeper. The Commission congratulated her on her career and presented her with a Certificate of Recognition.

   Ms. Ciardi thanked the Commission and provided brief thoughts on her career.

   b) Recognition of Moshe Blum’s Retirement and 33 Years of Service  
   DGM Carlin summarized the career of Mr. Blum. The Commission congratulated him on his career and presented him with a Certificate of Recognition.
Mr. Blum thanked the Commission for their recognition and expressed thoughts on his career.

Commissioner Vietor arrived at 1:49 PM. Commissioner Caen arrived at 1:51 PM.

c) Water Supply Outlook
Assistant General Manager (AGM) Steve Ritchie provided an update on the water supply conditions and current reservoir storage, noting Cherry Reservoir has 205 AF, which could be made available for potable purposes. He provided precipitation and snowpack levels, discussed management actions, and described the upcoming schedule.

Vice President Caen asked for clarification on how water from the Cherry Reservoir arrives and how the water might be used, to which AGM Ritchie provided response.

Public Comments
• Mr. Eric Brooks, San Francisco Green Party, grassroots organization, “Our City”; and the Sierra Club Bay Chapter Water Committee, commented on desalination, noting the Sierra Club does not support desalination. He read from the Sierra Club’s guidelines regarding desalination.

Commissioner Moran asked for clarification on the Sierra Club position (technology vs. water supply not based on conservation), which Mr. Brooks provided. Brief discussion ensued.

8. BAWSCA Update
Ms. Nicole Sandkulla, BAWSCA, stated she has been providing her Board and member agencies updates on the Mountain Tunnel Project. She indicated that she looks forward to receiving answers for specific questions, which were provided to staff.

Ms. Sandkulla noted what her agencies are doing in response to the drought conditions, and that they are meeting the SFPUC’s request for a 10 percent reduction. She stated that BAWSCA will continue close coordination with the SFPUC to prepare for additional reductions, if necessary.

Public Comments
None.

9. Consent Calendar
a) Approve Modification No. 1 to JOC-42, General Engineering (A-License with Marine Engineering emphasis), for San Francisco/Peninsula/East Bay to Hetch Hetchy, with Power Engineering Construction Company, to perform general engineering and construction tasks, increasing the contract by $2,500,000, for a total contract amount of $7,500,000, and with a time extension of 730...
consecutive calendar days, for a total contract duration of 1825 consecutive calendar days, as allowed for JOC contracts under the San Francisco Administrative Code. This contract modification is needed to complete general engineering and construction tasks in City facilities. (Resolution 14-0037)

On Motion:
Courtney, Caen, Vietor, Moran, and Torres

Public Comments
None.

10. Approve an increase in the construction contract cost contingency for Contract No. WD-2666, Bioregional Habitat Restoration (BHR) – Sheep Camp Creek, in the amount of $545,664; and Authorize the General Manager or his designee to approve future modifications to the contract for a total revised contract amount up to $4,849,414. The requested increase in the contract cost contingency is due to drought conditions requiring emergency watering and due to changes in hydrogeological conditions requiring additional well investigations and construction. (Resolution 14-0038)

Commissioner Moran asked for clarification for the need to drill wells to water native plants. AGM Ritchie indicated the water is needed in order to establish the plants.

On Motion:
Courtney, Caen, Vietor, Moran, and Torres

Public Comments
None.

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

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

On Motion TO assert:
Courtney, Caen, Vietor, Moran, and Torres

The Commission entered Closed Session at 2:16 PM.

13. 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 Claim
Roger and Paula A. Guido
City Attorney Unlitigated Claim No.: 14-01546
Date Filed: January 15, 2014
Material terms of the proposed settlement of the unlitigated claim arising from a water main break in the vicinity of 15th and Wawona are as follows: Payment of $75,000 in exchange for a full and final release of liability.

(Resolution 14-0039)

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).

Existing Claim
Jason C. Wu and Dianna V. Yick
City Attorney Unlitigated Claim No.: 14-01751
Date Filed: February 13, 2014
Material terms of the proposed settlement of the unlitigated claim arising from a water main break in the vicinity of 15th and Wawona are as follows: Payment of $560,000 in exchange for a full and final release of liability.

(Resolution 14-0040)

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).

Existing Litigation
California Coastal Protection Network v. City and County of San Francisco
San Francisco Superior Court Case No.: CGC-11-513176
Date Filed: August 16, 2013
(Resolution 14-0041)

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

Existing Litigation:
Fletcher Ranch Road Properties, a Limited Liability Company, Robert N. Fletcher as Trustee of The Robert N. and Patricia A. Fletcher Living Trust and Richard S. Fletcher as Trustee of The Richard S and Linda K. Fletcher Revocable Inter Vivos Trust, and C. Nelson Fletcher as Trustee of The C. Nelson and Betty S. Fletcher Revocable Inter Vivos Trust v. City and County of San Francisco and DOES 1 thru 100
Alameda County Superior Court, Case No. VG10510699
Date filed April 22, 2010
(Resolution 14-0042)

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).

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

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).
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

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).

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

20. Threat to Public Services or Facilities – Pursuant to California Government Code Section 54957 and San Francisco Administrative Code 67.10 (a).
Consultation with Agency Chief of Security concerning security of SFPUC Water and Power Systems.

The Commission exited Closed Session at 2:41 PM.

21. Announcement following Closed Session
President Courtney announced that settlements were reached on items 13, 14, 15, and 16.

22. Motion regarding whether to disclose the discussions during Closed Session.
On Motion NOT to disclose:
Courtney, Caen, Vietor, Moran, and Torres

23. Other new business

President Courtney noted that a joint meeting with the Environment is being planned and that a joint meeting LAFCo is scheduled. He requested that staff respond to his prior request for information on jobs in the Southeast sector.

Public Comments
Mr. Eric Brooks, San Francisco Green Party, grassroots organization, “Our City”; commented on the joint LAFCo/SFPUC meeting.

President Courtney noted that neither he nor Commissioner Torres can attend the joint meeting.

President Courtney adjourned the meeting at 2:45 PM.