SAN FRANCISCO PUBLIC UTILITIES COMMISSION
City and County of San Francisco

Edwin M. Lee
MAYOR

MINUTES
Tuesday, April 22, 2014
As Approved on May 13, 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 1:35 PM.

2. Roll Call
   Present: Courtney, Torres and Moran

3. Approval of the Minutes of March 25, 2014
   On Motion
   Ayes: Courtney, Torres and Moran

4. Public Comments
   None.

5. Communications
   a) Advance Calendar
   b) Letter Summary
   c) Departmental Climate Action Plan Annual Report
   d) SFPUC Response to BAWSCA’s Perspective on the Regional Water System Improvement Program Implementation at the 10-Year Point
   e) Formal Protest Letters Received – Prop 218
   f) Materials and Community Feedback for Proposed Rates Package
   g) Water Supply Agreement Update

   Commissioner Moran requested that staff review and respond to BAWSCA’s five recommendations, as received in the April 22 memorandum.

   Commissioner Moran requested that staff prepare a Report Card on the environmental programs piloted at 525 Golden Gate.

   Commissioner Moran suggested that staff look at the Prop 218 protest letters to see if there is a common message that hasn’t been effectively communicated.

   Public Comments
   None.

6. Other Commission Business
   None.

7. Report of the General Manager
   a) Water Supply Outlook

   Vice President Caen arrived at 1:45 PM.

   Deputy General Manager (DGM), Michael Carlin introduced Mr. Steve Ritchie, Assistant General Manager (AGM), Water, who gave the Water Supply Outlook update. He reviewed current water supply conditions noting: Storage is at 68 percent
of maximum; There has been a steady increase in precipitation; and demand response has been variable. He further discussed reservoir storage levels; Precipitation and snowpack levels; Weekly deliveries through April 14; Tuolumne River at LaGrange and water available to the SFPUC; Water supply outlook; State Water Resources Control Board (possible curtailment notices); and management actions.

Public Comments
None.

8. BAWSCA Update
President Courtney stated there will be no BAWSCA update.

9. Consent Calendar
a) Approve the plans and specifications, and award Contract No. WD-2667, 8-inch Ductile Iron Water Main Installation and Pavement Renovation of Mission Street, in the amount of $2,991,880 to the lowest, qualified, responsible and responsive bidder, Hernandez Engineering. The proposed action is the Approval Action as defined in the San Francisco Administrative Code, Chapter 31. (Resolution 14-0054)

b) Accept work performed by Steve P. Rados, Inc. for Contract No. WD-2665, Bay Division Reliability Upgrade Project – Bay Division Pipeline No. 5, Cordilleras Micro-tunnel, for a total contract amount of $5,685,764; Approve Modification No. 8 (Final), for a time extension of 366 consecutive calendar days and a total contract duration of 719 consecutive calendar days; and authorize final payment to the contractor. (Resolution 14-0055)

c) Approve Modification No. 4 to Contract No. WW-541, Southeast Water Pollution Control Plant Oxygen Generation Plant Replacement, with NTK Construction Inc., to account for noise compliance issues that are affecting the start-up of the new oxygen generation plant, increasing the contract duration by 180 consecutive calendar days, for a total contract duration of 569 consecutive calendar days, with no change to the contract amount. (Resolution 14-0056)

d) Accept work performed by Harty Pipelines for Contract No. WW-553, As-Needed Main Sewer Replacement, for a total contract amount of $2,444,174, and with a total contract duration of 365 consecutive calendar days; and authorize final payment to the contractor. (Resolution 14-0057)

e) Approve the plans and specifications, and award Contract No. WW-559R, Fixed Gas Monitoring System Upgrades, in the amount of $2,484,000, to the lowest, qualified, responsible and responsive bidder, U.S. Electric Technologies Inc., to selectively demolish the existing deficient fixed gas monitoring systems and furnish and install new fixed gas monitoring systems to the WWE Distributed Control System for remote monitoring at Southeast Plant, Bruce Flynn Pump
f) Adopt the 2013 San Francisco Bay Area Integrated Regional Water Management Plan. The proposed action is the Approval Action as defined in the San Francisco Administrative Code Chapter 31. (Resolution 14-0059)

g) Authorize the General Manager to submit on behalf of the City and County of San Francisco, an application to the Metropolitan Transportation Commission for $1,000,000 in funding for the Southern Skyline Boulevard Ridge Trail Extension Project on the Peninsula Watershed in San Mateo County through the Priority Conservation Area Grant Fund Program, and commit the required matching funds in the amount of $3,000,000, and state the SFPUC’s assurance to complete the project subject to necessary review under the California Environmental Act. (Resolution 14-0060)

h) Approve the Water Supply Assessment for the proposed University of California, San Francisco Long Range Development Plan, pursuant to the State of California Water Code Section 10910 et seq. and California Environmental Quality Act Section 21151.9 and CEQA Guidelines Section 15155. (Resolution 14-0061)

i) Approve the terms and conditions and authorize the General Manager to execute a five-year revocable license to the City of Milpitas to use approximately 157,600 square feet for public street crossings and surface street improvements on the SFPUC property at Escuela Parkway in Milpitas, California for no annual use fee, and to revoke former permits. (Resolution 14-0062)

j) Approve the terms and conditions and authorize the General Manager to execute a five-year revocable license to 42186 Palm Avenue Developers LLC to use portions of SFPUC Parcels 10, 11 and 13 to install and maintain three paved roads for a $7,500 fee. (Resolution 14-0063)

Public Comments
None.

On Motion
Ayes: Courtney, Caen, Torres and Moran

REGULAR CALENDAR

10. Approve an increase in the construction contract cost contingency for Contract HH-954R2, Early Intake Switchyard Refurbishment Phase I with Communication Services Inc., in the amount of $605,000, and an increase in the contract duration of up to 77 consecutive calendar days. Authorize the General Manager to approve future modifications to the contract for a total revised contract amount up to
$3,860,894, for a total revised contract duration up to 333 consecutive calendar days. The increase is due to design changes and differing site conditions that were required to meet performance of the switchyard. (Resolution 14-0064)

AGM Ritchie introduced the agenda item and recommended approval.

Public Comments
None.

On Motion
Ayes: Courtney, Caen, Torres and Moran

Commissioner Vietor arrived at 1:54 PM.

11. Public Hearing: Discussion and possible action to approve the project-level scope, schedule and budget of the March 2014 Revised Water System Improvement Program and direct staff to send a Notice of Change Report to the California Joint Legislative Audit Committee, the California Department of Public Health and the California Seismic Safety Commission in compliance with California Assembly Bills 1823 and 2437, and authorize the General Manager to seek Board of Supervisors’ approval for the re-appropriation of existing funds between the pre-designated funding categories as needed to match the project-level budget allocations specified in the proposed March 2014 Revised WSIP. (Resolution 14-0065)

Mr. Jeet Bajwa, Manager, SFPUC Project Management Bureau, stated that as required, a Notice of Change was filed to announce proposed scope and program changes to the WSIP, and discussed why the proposed revisions were necessary. Mr. Bajwa discussed the program status for local and regional projects by cost and number and provided a summary of the revisions: Scope changes to five projects (Alameda Creek Recapture, Calaveras Dam Replacement, Bay Division Reliability Upgrade – Tunnel, and Bioregional Habitat Restoration Project); Addition of one project (long term mitigation endowment); Revision on the Program completion date to May 24, 2019; and the revised Program budget of $4,765M.

Commissioner Torres questioned why there was a delay in the Bay Tunnel project. Mr. Bajwa replied that the project is on schedule but the request to delay is needed to save water.

Mr. Bajwa continued, discussing Project-level budget revisions, noting projects with the largest cost savings (SVWTC expansion and treated water reservoir, HTWTP long term improvements, Seismic upgrade BDPL Nos. 3 and 4, San Joaquin Pipeline System, and Crystal Springs Pipeline No. 2); and those with the largest cost increases (Calaveras Dam Replacement, New Irvington Tunnel, Regional Groundwater Storage and Recovery, CS/SA Transmission Upgrade, and Alameda Creek Recapture Project).
Commissioner Moran asked about the range of water production associated with the reconfiguration of the Recapture Project, remarking that funding seems to be at the low end of the range. Mr. Bajwa and DGM Carlin provided preliminary response. Commissioner Moran requested that additional information be included in the water supply discussions, which are scheduled for the next meeting.

Public Comments
- Mr. Michael Hurley, Water Resources Manager, BAWSCA, provided a written statement to the Commission from Ms. Nicole Sandkulla.

Commissioner Torres requested that the statement be entered into the record.

Commissioner Vietor asked how response to the recommendations will be provided. DGM Carlin stated the recommendations will be reviewed by staff and written response will be provided. In response to a follow-up question, DGM Carlin noted that the Commission can take action on the item and amend their filing, if necessary. Commissioner Moran indicated that it has been Commission practice to review and consider BAWSCA’s recommendations.

- Dr. Espanola Jackson stated she does not oppose the item. She asked about funds received from Greenhouse rent.

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

The Commission Secretary called items 12 through 16 together.

12. Public Hearing to consider and adopt schedules of rates, fees and charges of the San Francisco Public Utilities Commission Retail Water Enterprise for retail water service in San Francisco and suburban areas to be effective with meter readings beginning July 1, 2014, July 1, 2015, July 1, 2016 and July 1, 2017. The proposed action is the Approval Action as defined in the San Francisco Administrative Code, Chapter 31.

13. Public Hearing to consider and adopt schedules of rates, fees and charges of the San Francisco Public Utilities Commission Wastewater Enterprise for retail wastewater service in San Francisco and suburban areas to be effective with meter readings beginning July 1, 2014, July 1, 2015, July 1, 2016 and July 1, 2017. The proposed action is the Approval Action as defined in the San Francisco Administrative Code, Chapter 31.

14. Public Hearing to consider and adopt water and wastewater capacity charges for new service, increased service or a change in service provided by the Water and Wastewater Enterprises of the San Francisco Public Utilities Commission, effective on or after July 1, 2014. The proposed action is the Approval Action as defined in the San Francisco Administrative Code, Chapter 31.
15. Public Hearing to consider and adopt the connection fees and miscellaneous fees and charges related to the provision of water service within and outside the City and County of San Francisco. The proposed action is the Approval Action as defined in the San Francisco Administrative Code, Chapter 31.

Mr. Todd Rydstrom, CFO and AGM Business Services, introduced items 12 through 15, stating no action is needed, noting that Commission approval will be requested at the May 13 meeting.

Ms. Deborah Chilvers, Deputy Communications Director, discussed the SFPUC’s rates education and outreach efforts. She outlined the outreach approach; foundation setting, which focuses on three key messages (high quality and reliable service, investment in aging infrastructure, and commitment to affordable rates and transparent rate-setting process); Citywide community presentations (19 events and 98 presentations, in multiple languages, with approximately 9,700 people reached); Public tours of facilities; Rates materials in multiple languages (available on website and hard copy); Website updates; Media coverage (including social media); and public feedback. She noted that generally, customers understood the need for the rates increase. She stated that 92 formal protest letters have been received and formal endorsements were received from SPUR, Bay Area Council, SF Beautiful, and BOMA.

Vice President Caen asked if the formal protest letters contained any specific objections. Ms. Chilvers noted that particular groups (such as landlords) have particular concerns. She stated once people understand what the rate increases are for they are in support.

Commissioner Torres asked for the breakdown of the letters received. Ms. Chilvers stated 180,000 went individual account holders with the remainder going to property owners who are not account holders. DGM Carlin noted Prop 218 requirements.

Commissioner Torres asked about the number of hits the SFPUC website receives. Ms. Chilvers noted it is above average on the website and that social media participation is very high. She attributed increased participation to the rim fire and sewer system improvement campaigns.

President Courtney requested that Ms. Chilvers come before the Commission more often to provide updates on community outreach and social media efforts.

Ms. Chilvers introduced Mr. Robb Grantham, Carollo Engineers. Mr. Grantham thanked Patricia McGovern Engineering and SFPUC staff for their work. He outlined the process and timeline used to develop an updated cost-of-service study. He continued by discussing Independent Financial Modeling: Rate setting process (revenue requirements, cost allocation, and rate design); Data collection and validation; and financial model to aid in forecasting and communication. Mr. Grantham concluded by presenting Carollo’s findings: (SFPUC rates comply with...
Prop. 218 requirements; Agreement with annual rate increases presented; Recommend increasing the tier 1 break to 4 Ccf for single-family residential water customers; Recommend uniform rate structure for residential sewer customers (removal of tiers); Recommend update to Capacity Charge Calculation; and establish miscellaneous fees and charges based on periodic cost-of-service review.

Mr. Charles Perl, Deputy CFO, provided a presentation on the Water and Sewer Rates Proposal, reviewing the four items to be presented: Retail Water Rates; Retail Wastewater Rates; Capacity Charges; and Connection fees, miscellaneous fees and charges. He noted documents that were provided to the Commission.

Mr. Perl outlined the proposed rate changes, stating these changes either involve the “math” or “structure” of rates. He reviewed the rate setting timeline, indicating the process began one year ago with the selection of the independent consultant, Carollo. He said that if approved, the new rates would become effective July 1, 2014.

Mr. Perl continued by discussing the proposed residential Water Retail Rate Structure changes, which would increase water Tier 1 from 3 to 4 units (+748 gallons) for single family residential customers, which would better represent average usage. He reviewed the monthly water consumption profile, noting no change is being proposed to multi-family residential tiers.

The second proposed change discussed was to the interruptible water rates for irrigation customers only. He stated capital costs would be included (not currently), and that large storage costs are excluded. In response to a question from Commissioner Moran, Mr. Perl indicated that to his knowledge no one has ever been interrupted. He stated that criteria are being developed with the Water Enterprise. Commissioner Vietor asked that the criteria be brought back to the Commission. Brief discussion ensued on elasticity, usage, and fixed and variable costs.

Mr. Perl discussed proposed changes to fire service charges related to the metered fire suppression systems in multi-family and commercial buildings, and the fee to pay for the capacity of the system water needed to fight a fire. He noted the 2014 study includes an allocation for customer service costs and assumes the same hydraulic capacity for fire service meters and potable water meters, which will help with equity.

Mr. Perl explained the proposed change to the residential Wastewater Rate Structure which recommends phasing out all tiers for all customers by year four. He discussed peaking costs and the difficulty in tying the peaks to a particular customer class. He noted the SFPUC is the only utility that has a tiered wastewater structure and the change would bring San Francisco in-line with other California utilities.
Mr. Perl reviewed the Water and Wastewater Low Income Discount Programs (Community Assistance Program; Low Income Non-Profit Housing; and Community Housing Program). Commissioner Moran asked how people who are not included in a categorical discount program, and for whom the rate increase will be a burden, are covered, and if they discount programs could be expanded. Mr. Perl will report back.

Mr. Perl then reviewed the estimated average single family monthly combined bill and provided a combined bill comparison. He noted that the bill, as a percent of household income, would increase from 1.3 percent to 1.6 percent over four years, and that staff works hard to maintain affordability. In response to a question from Commissioner Torres, Mr. Perl noted that the proposed rate increase was above the rate of inflation. He discussed the average monthly water/sewer bill as compared to other California jurisdictions, based on estimated actual usage by jurisdiction. Mr. Perl noted that direct peer cities are Oakland and San Jose.

Mr. Perl turned to discussing Water and Wastewater capacity charges, which are charges to customers that have new or increasing service demands from the existing water or wastewater system. He noted the proposed changes are needed to streamline the application, calculation, and collection process for the charges, which would tie the water and sewer charges to the water meter size. He discussed the current and proposed charges.

Mr. Perl discussed Water and Wastewater Connection and Miscellaneous fees, noting two proposed new fees: No-Reporting Penalty Fee and the Manual Meter Reading Fee.

Mr. Perl touched on the Ratepayer Assurance Scorecard and the Notice to Ratepayers (Prop 218 Notice), stating that copies of the Notice was available.

Mr. Perl concluded by thanking his team for their work. He introduced Mr. Kevin Cheng, Chair, Rate Fairness Board (RFB).

16. Presentation by the Rate Fairness Board (RFB): Report on proposed rates, fees and charges for retail water service and retail wastewater service, water and wastewater capacity charges and miscellaneous fees and charges.

Mr. Cheng provided a brief background on the history of the RFB and reviewed current members. Commissioner Torres thanked Mr. Cheng and the RFB for their work. Mr. Cheng indicated that since July the RFB has held 10 public hearings on the proposed rates - seven regarding rates and three to deliberate. He stated that there were multiple rate objectives considered, both qualitative and quantitative, to determine if the proposed rates are fair. He noted the extensive SFPUC community outreach efforts and that comments received were reviewed by the RFB, stating that comments received were incorporated into the RFB recommendations and findings. He provided a brief summary of the feedback and said that customers
understand the need for proposed rate increases, but expressed concern that
increases are significant.

In response to a question from Commissioner Vietor, Mr. Cheng stated that the
comments received were sent to SFPUC staff. Ms. Chilvers indicated that most of
the comments at the RFB hearings were verbal and were responded at the time
received. She noted that email questions also received response. She stated that
Prop 218 formal protests were incorporated into the feedback, but did not receive
response and have historically not received response. Mr. Cheng said that
questions directed to SFPUC staff received response.

Mr. Cheng outlined the RFB observations: Proposed rates are technically fair;
Proposed rates support projected expenditures for Water and Wastewater
Enterprises; Included some changes to the rates structure; and the RFB has
confidence in the process.

He discussed concerns and issues of the RFB: The method for developing fire
service rates has changed in the past two rate studies; Proposed rates may
increase the need for low-income assistance; and multi-family buildings with one
meter may limit conservation efforts.

Mr. Cheng presented the RFB recommendations: RFB recommends rates as
proposed by staff; RFB recommends sufficient detail in consultant and staff reports
to provide clear references for subsequent rate studies; Develop additional Prop
218 compliant funding for low-income assistance programs; and enlist a study of
current and possible future conservation signals for multi-family buildings.

Commissioner Moran thanked Mr. Cheng and the RFB for their work and service.
President Courtney concurred.

Public Comments

• Dr. Espanola Jackson expressed concerns with affordability, especially for
  retirees and those on fixed incomes.

President Courtney stated that the issue of affordability must be addressed and he
encouraged discussion and a transparent process. He noted that state of the art
facilities must be delivered to communities in need.

• Laura Tam, SPUR, spoke in support of the rates package. She discussed
  seismic reliability and sustainability; diverse water supply; good planning for
  public benefit; and an eagerness for the expansion of the customer assistance
  and multi-family programs.

• Adrian Covert, Bay Area Council, spoke in support of the rates package and
  presented a letter from the Council.

• Hiroshi Fukuda, Chair, Coalition for San Francisco Neighborhoods, stated the
  Coalition doesn’t believe the rate increase is acceptable. He stated the water
supply is inadequate to service new high rise and housing construction, and encouraged close work with the Planning Commission.

- Lorraine Lucas, Coalition for San Francisco Neighborhoods, Water Task Force, read a Resolution passed by the Coalition.
- Joan Girardot, Coalition for San Francisco Neighborhoods, stated the average bill comparison is skewed and the use of tiered rates is unfair to families and maybe illegal.

President Courtney requested that prior to the May 13 meeting staff prepare a memo addressing potential legal issues with tiered rates.

Commissioner Moran requested that items be calendared to look at possible changes to the rate structure in order to bring the revenue structure in-line with the expenditure structure to increase fixed charges and eliminate tiers on the variable section.

- Mode Bamaca stated that the rates increases would be hard for low income families. She indicated she had not received information on rates increases and wants to learn more.
- Judy Berkowitz, President, Coalition for San Francisco Neighborhoods, stated she attended several RFB Meetings. She referred to the Resolution Ms. Lucas read. She expressed concern with non-profit organizations receiving SFPUC funds, stating funding should come from the General Fund.

In response to a question from Commissioner Vietor, Ms. Berkowitz stated that the Coalition is not requesting that funding stop, but rather that funding be cut back, while other funding sources are explored. Commissioner Vietor expressed support for the programs and stated more outreach and education needs to be done. She referred to SFPUC Community Benefits Policy. Ms. Berkowitz stated their concern is not with the funding itself, but that the funding source is the SFPUC rather than the General Fund.

President Courtney continued items 12, 13, 14 and 15 to the May 13 meeting.

17. Presentation and discussion regarding proposed Wholesale Revenue Requirement and rate schedule for FYE 2015.

Mr. Perl stated that the Wholesale Water Rates are contractual and that the rate-setting process is dictated by the Agreement. He reviewed key trends and budget impact for water usage, projecting a slight decline in water sales due to conservation efforts; Wholesale Water Revenue requirement; Wholesale Rates - historical and projected increases; Wholesale Rates (lower than projected one year ago), and cost per gallon delivered/treated; Wholesale Rate structure; and Untreated Water Rate discount.

In response to a question from Commissioner Torres, Mr. Perl stated that the Retail Rate tiered structure is for equity and that those who use more pay more. He clarified that the Wholesale Rates have no tiers.
Public Comments
None.

The Commission Secretary called items 18, 19 and 20 together.


20. Public Hearing to consider the adoption of the two-year Capital Budget, and Supplemental Appropriation for the Hetch Hetchy Water and Power, including the Power Enterprise of the San Francisco Public Utilities Commission for FY 2014-15 and FY 2015-16; and Authorize and direct the General Manager to submit to the Board proposed Ordinance authorizing: (1) the issuance of not to exceed $268,624,656 aggregate principal amount of Water Revenue Bonds provided, however, the issuance of such Bonds shall be subject to the terms of Proposition E; and (2) the issuance of not to exceed $136,687,928 aggregate principal amount of Power Revenue Bonds, subject to the terms of Charter Section 9.107(8).

Mr. Rydstrom provided a general introduction noting the need for balance. He continued by recapping the Fiscal Cliff, touching on longer-term alternatives and sources; Background (historical context); Nine-month report (current year update); Bridging shortfall (projection update, recommendations, cuts, deferrals, updates); Going forward (staying balanced); and Next steps.

Commissioner Vietor requested clarification on the timeline and when decisions need to be made, which Mr. Carlin provided.

Commissioner Moran noted that when the budget was adopted there was discussion on the Fiscal Cliff and that progress has been made on developing a plan. He stated that City Hall needs to be willing to increase General Fund rates before a plan can be adopted.

Public Comments
• Joan Girardot asked if the Charter Provision still exists that requires while assets are being depreciated there is a set-aside of funds. City Attorney Noreen Ambrose stated that the Charter provision is the same as amended by the voters in 2002. Ms. Girardot asked how much money is available in the fund, which Mr. Rydstrom provided.

President Courtney continued items 18, 19, 20 to the May 13 meeting.

The Commission Secretary read Closed Session items, noting items 23, 24, 25, and 28 were removed from calendar.
21. **Public Comments on Matters to be discussed in Closed Session.**
   - Lorraine Lucas, Coalition for San Francisco Neighborhoods, expressed support for item 27.

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

   **On Motion TO ASSERT:**
   **Ayes: Courtney, Caen, Vietor, Torres and Moran**

**CLOSED SESSION**

23. **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

24. **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

25. **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

26. **Conference with Legal Counsel – Pursuant to California Government Code Section 54956.9 (d) (3) and San Francisco Administrative Code Section 67.10 (d) (2)**

   **Anticipated Litigation as Plaintiff**

27. **Conference with Real Property Negotiator pursuant to Government Code Section 54956.8 and Administrative Code Section 67.8 (a) (2)**

   **Property:**
   Francisco Reservoir Tract, bounded by Hyde, Larkin and Bay Streets, in San Francisco

   **Persons Negotiating:**

29. Announcement following Closed Session
President Courtney announced that no action was taken during Closed Session.

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

On Motion NOT to Disclose
Ayes: Courtney, Caen, Vietor, Torres and Moran

31. Other new business.
None.

President Courtney adjourned the meeting at 5:17 PM.