SAN FRANCISCO PUBLIC UTILITIES COMMISSION
City and County of San Francisco

Edwin M. Lee
MAYOR

AGENDA
Tuesday, December 9, 2014

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

Commissioners
Ann Moller Caen, President
Francesca Vietor, Vice President
Vince Courtney
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
For questions about the meeting, please contact (415) 554-3165. The ringing of and use of cell phones, pages, and similar sound-producing electronic devices are prohibited. Please be advised that the President 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.

**Know your rights under the Sunshine Ordinance**: 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. For 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, Phone: (415) 554-7724; Fax: (415) 554-7854; E-mail: soft@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.

**Disability Access**: The SFPUCC meeting will be held in Room 400, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA. The closest accessible BART Station is at Civic Center. Accessible MUNI lines serving this location are: 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 Farnamass, 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 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) 554-0761, 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.

**LANGUAGE ACCESS**

Per the Language Access Ordinance (Chapter 91 of the San Francisco Administrative Code), Chinese, Spanish and or Filipino (Tagalog) interpreters will be available upon requests. Meeting Minutes may be translated, if requested, after they have been adopted by the Commission. Assistance in additional languages may be honored whenever possible. To request assistance with these services please contact the Commission Clerk Donna Hood at (415) 554-0761, or dhood@sfwater.org at least 48 hours in advance of the hearing. Late requests will be honored if possible.

**ACCESSO A IDIOMAS**

De acuerdo con la Ordenanza de Acceso a Idiomas “Language Access Ordinance” (Capítulo 91 del Código Administrativo de San Francisco “Chapter 91 of the San Francisco Administrative Code”) intérpretes de chino, español y/o filipino (tagalo) estarán disponibles de ser requeridos. Las minutas podrán ser traducidas, de ser requeridas, luego de ser aprobadas por la Comisión. La asistencia en idiomas adicionales se tomará en cuenta en siempre que sea posible. Para solicitar asistencia con estos servicios favor comunicarse con el Secretario de la Comisión Donna Hood al (415) 554-0761, o dhood@sfwater.org por lo menos 48 horas antes de la reunión. Las solicitudes tardías serán consideradas de ser posible.

**PAG-ACCESS SA WIKA**


**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.sf-planning.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, as an issue 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 November 12, 2014

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. Communications
   a) Advance Calendar
   b) Letter Summary
   c) Annual Water Supply Development Report
   d) Hetch Hetchy Water and Power Enterprise Capital Improvement Program
      Quarterly Reports
   e) Status of Large Development Projects in the Water Service Area
   f) Wastewater Enterprise Capital Improvement Program Quarterly Report
   g) Correction to Resolution 14-0177, Contract No. HH-953, WSIP Contract – Telsa
      Portal Protection

6. Other Commission Business
   a. Recognition of Todd Rydstrom, AGM Business Services and CFO for his service
      to the SFPUC

7. Report of the General Manager
   a) Drought Update (Levin)
   b) Storm Update (Moala)
   c) Update on LAFCo Report (Hale)

8. Annual Financial Audit Reports (Lee)
   a. KPMG Presentation

9. Sewer System Improvement Program Update (Kubick)

10. Citizens’ Advisory Committee Update (Aragon)

11. BAWSCA Update (Sandkulla)

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.
CONSENT CALENDAR

12. 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-108, Springsnail Research Project, with Dr. Robert Hershler of the Smithsonian Institution, to incorporate data from additional springsnail collecting in California; Authorize the General Manager to execute this amendment, extending the agreement duration by nine months, for a total agreement duration of two years and nine months.
   (Cruz)

b) Approve Amendment No. 2 to Agreement No. CS-271, Ocean Beach Master Plan Phase 2 Coastal Management Agreement, Planning, Design, Engineering and Outreach Services with San Francisco Planning and Urban Research, to continue providing planning, design, engineering and outreach services; Authorize the General Manager to execute this amendment, increasing the agreement by $117,705, for a total not-to-exceed agreement amount of $867,705, and with a time extension of four months, for a total not-to-exceed agreement duration of two years and 10 months.
   (Cruz)

c) Approve the selection of URS Corporation and award Agreement No. CS-396, Engineering Services Pilarcitos Dam and Reservoir Improvements Project to provide specialized dam engineering and geotechnical services during all project phases for proposed seismic upgrades at Pilarcitos Dam and Reservoir; Authorize the General Manager to negotiate and execute a professional services agreement with URS Corporation for an amount not to exceed $3,000,000, and with a duration of seven years.
   (How)

d) Approve the plans and specifications and award Contract No. WD-2506, 8-Inch Ductile Iron Pipe Main Installation on Clement Street from Arguello Boulevard to 14th Avenue; and Arguello Boulevard from Lake Street to Geary Boulevard, in the amount of $3,057,191, to the lowest, qualified, responsible and responsive bidder, M Squared Construction.
   (Cruz)

e) Approve an increase in the construction contract cost contingency for Contract No. WW-490, Oceanside Water Pollution Control Plant (OSP) Digesters’ Class A Conversion and Facility Improvements, with Shimmick Construction Company Inc., in the amount of $837,066 and an increase in the...
contract duration of 230 days (approximately eight months); Authorize the General Manager, or his designee, to approve future modifications to the contract to increase the contract amount up to a maximum of $17,747,366 and a total contract duration of 1020 consecutive calendar days (approximately two years and 10 months), if appropriate.       (Cruz)

f) Accept work performed by Cal State Constructors, Inc. for Contract No. WW-542, Oceanside Water Pollution Control Plant Dewatering Facility Upgrades, for a total contract amount of $4,962,993, and with a total contract duration of 735 consecutive calendar days (approximately two years); and authorize final payment to the Contractor.        (Cruz)

g) Accept work performed by D’Arcy & Harty Construction for Contract No. WW-554, Various Locations Sewer Replacement and Pavement Renovation; Approve Modification No. 2 (Final), decreasing the contract by $233,366 to account for actual costs of labor and materials required to complete the contract sewer and street paving work under bid item allowances, for a total contract amount of $2,730,611, and with a time extension of 50 consecutive calendar days, for a total contract duration of 387 consecutive calendar days (one year and one month); and authorize final payment to the contractor. (Cruz)

h) Approve the plans and specifications, and award Contract No. WW-601, As-Needed Spot Sewer Replacement, for a total not-to-exceed amount of $6,883,165, to the lowest, qualified, responsible and responsive bidder, J. Flores Construction, Inc., to replace sections of existing sewer piping, on an as-needed basis, at locations to be determined throughout San Francisco. The proposed action is the Approval Action as defined in the San Francisco Administrative Code, Chapter 31.        (Cruz)

i) Authorize the General Manager to execute, on behalf of the City of San Francisco a First Amendment to the October 1, 2012 Memorandum of Understanding with the City of Daly City, extending the term by 24 months (two years), for a total duration of 60 months (five years). The term extension will allow the SFPUC to continue to partially fund consultants hired by Daly City to complete pre-project planning, design and environmental review work for the Vista Grande Drainage Basin Improvement Project.    (Levin)

REGULAR SESSION

13. Authorize the General Manager to negotiate and execute an agreement for an amount not-to-exceed $18,500,000 with one of five pre-qualified contractors, for Agreement No. DB-121R, Moccasin Powerhouse Generators Rewind Project, a Design-Build Agreement for rehabilitation of the rotor and stator in Generators No. 1 and No. 2 at the Moccasin Powerhouse, as permitted under San Francisco Administrative Code Section 6.23(C)(1).       (Cruz)
14. **Authorize** the General Manager to establish a **revenue bond debt program for the Power Enterprise** and issue the **Power Enterprise’s inaugural revenue bonds** to **fund a not-to-exceed principal amount of $48,000,000**, inclusive of financing costs, for projects included in the Capital Improvement Plan, subject to approval from the Board of Supervisors; **Authorize** the General Manager to sell in one or more series of bonds, on either a competitive or negotiated basis; Delegate the General Manager authorization to award each series of bonds to the highest bidder (lowest cost) bank or underwriter(s); **Authorize** the General Manager to submit ordinances to the Board of Supervisors (1) authorizing the establishment of a new Power Bond program; and (2) authorizing issuance of not-to-exceed $48,000,000 aggregate principal amount of new money Power Revenue Bonds. This is an Approval Action pursuant to Administrative Code Chapter 31. (Perl)

15. **Approve** revised **Real Estate Guidelines** (2014 Guidelines) to set forth San Francisco Public Utilities Commission policies and real estate practices, and delegate authority to the General Manager and staff to enter into certain leases, licenses and real estate related memorandum of understanding. (Russell)

16. **Approve** the **Interim San Francisco Public Utilities Commission Water Pipeline Right-of-Way Use Policy** for San Mateo, Santa Clara and Alameda Counties, as an amendment to the Real Estate Guidelines; **Approve** the amendment to Real Estate Guidelines to include the Interim Right-of-Way Use Policy; and **approve** the **Right-of-Way Integrated Vegetation Management Policy amendment**. (Russell)

17. **Approve** the terms and conditions and **authorize** the General Manager to execute a month-to-month **revocable license to Modesto Irrigation District** to use approximately 135 linear feet of SFPUC Parcel 656 at McHenry Avenue in Modesto, California for the installation (via subsurface boring), operation, maintenance and repair of a new six-inch underground conduit beneath SFPUC’s water transmission pipelines together with a 12,000 volt electrical distribution circuit within the conduit, for no use fee. The proposed action is the Approval Action as defined in the San Francisco Administrative Code, Chapter 31. (Russell)

18. **Authorize** the General Manager to **negotiate and execute an extension of the Amended and Restated Lease between the SFPUC and the Pacific Rod and Gun Club** for up to 90 additional days, for property located at Lake Merced, 520 John Muir Drive, San Francisco. (Russell)

19. Public Comments on Matters to be discussed in Closed Session.

20. 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:

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

Properties:
2000 Marin Street and 639 Bryant Street, San Francisco

Persons Negotiating:
SFPUC: Michael Carlin, Rosanna Russell, and John Updike
Tishman Speyer: Carl Shannon and David Balducci

Under Negotiation:
Price ___ Terms of Payment ___ Both XX

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

Existing Unlitigated Claim
City and County of San Francisco v. Precision Engineering, Inc., and its Carriers
Date of Incident: February 27, 2013

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) (Ambrose)

Existing Unlitigated Claim
Lai Yuet Eng
City Attorney Unlitigated Claim No.: 15-00916
Date of Incident: October 3, 2014

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) (Ambrose)

Existing Unlitigated Claim
Anson Ha
City Attorney Unlitigated Claim No.: 15-00964
Date of Incident: October 3, 2014

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) (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
26. 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

27. 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

28. 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

29. Announcement following Closed Session.

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

31. Other new business.

ADJOURNMENT
CANCELLATION NOTICE

The Regular meeting of the
San Francisco Public Utilities Commission
Tuesday, December 23, 2014

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

HAS BEEN CANCELLED

For information, contact the Commission Secretary at 554-3165.
Minutes and other information are available on the SFPUC web site: www.sfwater.org
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http://sanfrancisco.granicus.com/ViewPublisher.php?view_id=22