SAN FRANCISCO PUBLIC UTILITIES COMMISSION
City and County of San Francisco

Edwin M. Lee
MAYOR

AGENDA
Tuesday, April 28, 2015

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
Ike Kwon

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: sof@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](http://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 BART Stations include 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 Farnam, 21 Hays, 9 San Bruno, 9L San Bruno Limited, 71 Haight Noriega and 71L Noriega Limited. For more information about MUNI accessibility services call (415) 701-4485. The meeting room is wheelchair accessible. Accessible curb-side 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 sensitivities 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 (tagalog) estarán disponibles de ser requeridos. Los ministros podrán ser traducidos, de ser requeridos, luego de ser aprobados por la Comisión. La asistencia en idiomas adicionales se tomará en cuenta 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**

Ayon sa Language Access Ordinance (Chapter 91 ng San Francisco Administrative Code), maaaring mag-request ng mga tagapagsalin sa wikang Tsino, Espanyol, at/o Filipino (Tagalog). Kapag hiniling, ang mga kaganapan ng miting ay maaring isalin sa ibang wika matapos ito ay aprobahan ng komisyon. Maari din magkaron ng tulong sa ibang wika. Sa mga ganitong uri ng kahilingan, mangyaring tumawag sa Clerk ng Commission Donna Hood sa (415) 554-0761, o dhood@sfwater.org sa hindi bababa sa 48 oras bago mag miting. Kung maari, ang mga late na hiling ay posibleng pagbibigyan.

**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](http://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](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, 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 April 14, 2015

4. General Public Comment
   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

6. Other Commission Business

7. Report of the General Manager
   a) Drought Update (Ritchie)
   b) CCA Update (Hale)
   c) Mountain Tunnel Update (How)

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, 525 Golden Gate Avenue, 13th Floor, San Francisco, CA 94102, Telephone: (415) 554-3165, Fax: (415) 554-3424.

CONSENT CALENDAR

8. 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 the plans and specifications and Award Contract No. WW-580, Oceanside Water Pollution Control Plant, W2 and W3 Water System Improvements, in the amount of $1,494,047, to the lowest, qualified, responsible and responsive bidder, Cal State Constructors, to upgrade the existing deficient and deteriorated No. 2 and No. 3 water filter assemblies. (How)

   b) Authorize the General Manager to execute, on behalf of the City and County of San Francisco, a Memorandum of Understanding with the City Of Daly City
for Westlake Pump Station Design Consulting Services, for the Regional Groundwater Storage and Recovery Project, **for an amount not to exceed $570,000**, and with a **duration not to exceed 24 months** (two years). (How)

**REGULAR SESSION**

9. **Approve** an Extension Agreement between the City and County of San Francisco and the **Modesto Irrigation District**, which will extend the term of the existing Long Term Energy Sales Agreement to the earlier of the approval of a replacement agreement by both parties, or June 30, 2016, subject to Board of Supervisors approval pursuant to Charter Section 9.118. (Hale)

10. **Approve** an Extension Agreement between the City and County of San Francisco and the **Turlock Irrigation District**, which will extend the term of the existing Long Term Power Sales Agreement to the earlier of approval of a replacement energy sales agreement by both parties, or June 30, 2016, subject Board of Supervisors approval pursuant to Charter Section 9.118. (Hale)

11. **Approve** the Form of Preliminary Official Statement, as updated, **for the issuance of the Power Enterprise’s inaugural revenue bonds**, to fund a not-to-exceed principal amount of $48,000,000, inclusive of financing costs, for Power-related projects included in the Hetch Hetchy Water and Power Capital Plan. (Perl)

12. **Authorize** the General Manager to impose additional **mandatory restrictions on outdoor water use and commercial businesses** as required pursuant to the State Water Resources Control Board’s Emergency Regulations adopted on March 17, 2015. (Ritchie)

13. **Authorize** the General Manager to seek the Mayor and Board of Supervisors’ approval of a **supplemental appropriation** in the amount of $4 million from the Hetch Hetchy Enterprise Fund Balance for the purpose of a temporary transfer to the Community Choice Aggregation Program (CCA) fund to meet the CCA short-term working capital needs during the initial start-up period. The funds would be transferred for a term not to exceed 24 months (two years), and charge interest at the otherwise applicable County-wide pool rate. (Hom)

14. **Workshop #1 - Power Business Plan**: First of two workshops to discuss the Power Enterprise Business Plan recommendations for business strategies and risk mitigation plans to meet enterprise goals, address changing regulations and increasing costs, and maintain and strengthen the financial stability of the SFPUC’s power operations. (Hale)

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

16. 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:

17. Conference with Legal Counsel – Pursuant to California Government Code Section 54956.9 (d) (2) and San Francisco Administrative Code Section 67.10 (d) (2) (Ambrose)
   Anticipated Litigation – As Defendant

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) (Rothschild)
   Unlitigated Claim
   Laborers International Union Local 261 vs. City and County of San Francisco
   City Attorney Claim Number: 15-02234/Date Filed: March 4, 2015

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) (Rothschild)
   Unlitigated Claim
   StarNet Insurance Company vs. City and County of San Francisco
   City Attorney Claim Number: 15-02313/Date Filed: March 10, 2015

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:
    City and County of San Francisco v. Pacific Gas & Electric
    San Francisco Superior Court Case No.: CGC-13-529310/Date Filed: June 6, 2013

21. 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
    Federal Energy Regulatory Commission
    Case No.: EL15-3-000/Date Filed: October 10, 2014

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) (Mueller)
    Existing Litigation:
    Pacific Gas & Electric
    Federal Energy Regulatory Commission
    Tariff Withdrawal per 35.15: Notice of Termination of the 1987 CCSF Interconnection Agreement – PG&E Rate Schedule FERC No. 114 to be effective June 30, 2015.
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:
Pacific Gas & Electric
Tariff Withdrawal per 35.15: Notice of Termination of The CCSF Facilities Charge Agreement for Moscone to be effective June 30, 2015.
Case No.: ER15-702-000/Date Filed December 23, 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)

Existing Litigation:
Pacific Gas & Electric
Federal Energy Regulatory Commission
§205(d) rate filing per 35.13 (a)(2)(iii): City and County of San Francisco Transmission Owner Tariff Replacement Agreements to be effective July 1, 2015
Case No.: ER15-703-000/Date Filed: December 23, 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)

Existing Litigation:
Pacific Gas & Electric
Federal Energy Regulatory Commission
§205(d) rate filing per 35.13 (a)(2)(iii): City and County of San Francisco Wholesale Distribution Tariff Replacement Agreements to be effective July 1, 2015
Case No.: ER15-704-000/Date Filed: December 23, 2014

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)

Existing Litigation:
Pacific Gas & Electric
Federal Energy Regulatory Commission
Notice of Termination of Facilities Charge Agreements between PG&E and the City and County of San Francisco
Case No.: ER15-735-000/Date Filed: December 23, 2014

27. Threat to Public Services or Facilities – Pursuant to California Government Code Section 54957 and San Francisco Administrative Code 67.10 (a) (Carroll)

Consultation with Agency Chief of Security concerning security of SFPUC Water and Power Systems.
Following Closed Session, the Commission will reconvene in Open Session

28. Announcement following Closed Session.

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

30. Other new business.

ADJOURNMENT
NOTICE OF PUBLIC HEARINGS

NOTICE OF PUBLIC HEARINGS Tuesday, April 28, 2015 – 1:30 PM City Hall, Room 400, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102, at a Regular Meeting of the SAN FRANCISCO PUBLIC UTILITIES COMMISSION, and if necessary, May 12, 2015 City Hall, Room 400, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102, at a Regular Meeting of the SAN FRANCISCO PUBLIC UTILITIES COMMISSION, and if necessary, May 26, 2015 City Hall, Room 400, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102, at a Regular Meeting of the SAN FRANCISCO PUBLIC UTILITIES COMMISSION: Public Hearing, discussion and possible action to adopt a schedules of electric rates and charges for customers of the San Francisco Public Utilities Commission (SFPUC) for phase one of the Community Choice Aggregation Program for renewable power procurement within San Francisco. The detailed agenda and related files will be available at least 72 hours before the scheduled meetings at the SFPUC website www.sfwater.org, or by calling (415) 554-3165.