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: sfof@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 SFPUC 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.

**ACCESO 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. Los minutos 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 la Secretaria 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. Maaari din magkaroon 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.

**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 Departament 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 November 10, 2015

4. General 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) Status of Large Development Projects in the Water Service Area
   e) Water Resources Division Annual Report
   f) Water Supply Agreement Update

6. Other Commission Business
   a) **Authorize** the General Manager to institute a **new recognition program** to
      highlight excellent performance and commitment to San Francisco Public Utilities
      Commission values by SFPUC employees, teams of employees, contractors,
      consultants and/or other outside partners. (Ellis)

7. Report of the General Manager
   a) Drought Update (Ritchie)
   b) Hetch Hetchy Water and Power Enterprise CIP Quarterly Reports (How)
   c) Wastewater Enterprise CIP Quarterly Report (How)
   d) Rates Policy Progress Report (Sandler)

8. **2014-15 Financial Audit Reports** (Lee)
   a) SFPUC Presentation
   b) KPMG Presentation

9. 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.

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

10. **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 **Water Supply Assessment** for the proposed Recology Modernization and Expansion Project, pursuant to the State of California Water Code Section 10910 *et seq.*, and California Environmental Quality Act (CEQA) Section 21151.9, and CEQA Guidelines Section 15155. (Ritchie)

b) **Approve** the **Water Supply Assessment** for the proposed 950-974 Market Street Project, 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. (Ritchie)

c) **Approve Amendment No. 1** to **Agreement No. CS-109**, Specialized Engineering Services for Recycled Water Projects, with Kennedy Jenks Consultants, Inc./Bahman Sheikh Water Reuse Consulting/Water Resources Engineering, Inc., Joint Venture (KJ/Sheikh/WRE, JV), to provide additional engineering services in support of the Westside Recycled Water Project; and **authorize** the General Manager to execute this amendment **increasing the agreement by $1,800,000**, for a total not-to-exceed agreement amount of $5,500,000, and with a **time extension of three years**, for a total agreement duration of **nine years**. (How)

d) **Approve** the plans and specifications, and **award Contract No. HH-981**, Mountain Tunnel Access & Adit Improvement, in the amount of **$4,286,500**, to the lowest, qualified, responsible and responsive bidder, Shimmick Construction Company, Inc., to improve two adits and access to the Mountain Tunnel, including the installation of new concrete adit plugs, road improvements and flow monitoring instrumentation. The work is to be performed in Tuolumne County, California. This action constitutes the Approval Action for the purposes of CEQA, pursuant to Section 31.04(h) of the San Francisco Administrative Code. (How)

e) **Accept** work performed by Mountain Cascade, Inc., for **Contract No. WD-2542**, Bay Division Pipeline No. 5 - Peninsula Reaches, for a **total contract amount of $55,422,978**, and with a total contract duration of 840 consecutive calendar days (two years and four months). Full and final payment to the contractor was previously authorized in a settlement of all disputes by Commission resolution No. 15-0178. (How)
f) Approve an increase to the existing construction contract cost contingency in the amount of $3,666,245, and an increase to the existing contract duration contingency of 61 consecutive calendar days, for Contract No. WD-2581, New Irvington Tunnel; and authorize the General Manager to approve future contract modifications for a total revised contract amount of up to $269,902,664 and a total revised contract duration of up to 1,973 consecutive calendar days (five years, five months), if appropriate. (How)

g) Approve an increase in the construction contract duration contingency of 196 consecutive calendar days for Contract No. WD-2596, Harry Tracy Water Treatment Plant Long-Term Improvements Project; and authorize the General Manager or his designee to approve future modifications to the contract, if appropriate, for a total revised contract duration of up to 1,785 consecutive calendar days (approximately five years). (How)

h) Accept work performed by M Squared Construction, Inc., for Contract No. WD-2620, 8-Inch and 12-inch Ductile Iron Water Main Replacement and Pavement Renovation on Bryant Street, 9th Street and other Streets; Approve Modifications No. 2 and No. 3 (Final), increasing the contract by $146,962, for a total contract amount of $3,884,127, and with a time extension 104 consecutive days (approximately three months), for a total contract duration of 665 consecutive calendar days (approximately one year, 10 months); and authorize final payment, to the contractor. (How)

i) Accept work performed by SJ Amoroso Construction Co., Inc., for Contract No. WD-2627R, Sutro Reservoir Rehabilitation and Seismic Upgrade; Approve Modification No. 23 (Final), extending the contract duration by 170 consecutive calendar days (approximately six months), for a total duration of 1072 consecutive calendar days (approximately three years), and with a total contract amount of $27,669,382; Authorize final payment to the contractor. (How)

j) Approve an increase in the construction contract cost contingency in the amount of $2,700,000, and an increase to the existing contract duration contingency of 270 consecutive calendar days (approximately nine months), for Contract No. WD-2629, Seismic Upgrade of Bay Division Pipeline Nos. 3 and 4 at the Hayward Fault; and authorize the General Manager or his designee to approve future modifications to the contract for a total revised contract amount for up to $37,152,000, and a revised contract duration of up to 1,299 consecutive calendar days (approximately three years and seven months), if appropriate. (How)

k) Approve an increase in the construction contract duration contingency for Contract No. WD-2661, As-Needed Integration Services, of up to 180 consecutive calendar days; and authorize the General Manager to approve future modifications to the contract for a total revised contract duration of up to
1,681 consecutive calendar days (approximately, four years and seven months). (How)

l) **Accept** work performed by Azul Works, Inc., for **Contract No. WD-2670A**, Cathodic Protection for 30-inch, 36-inch, 42-inch, & 48-inch Steel Pipe Transmission Main of University Mound System; **Approve Modification No. 2, increasing the contract by $120,314**; and **Modification No. 3 (Final), increasing the contract by $23,595**, for a total contract amount of $829,370 with no time extension, for a total contract duration of 257 consecutive calendar days (approximately eight months); and **authorize** final payment to the contractor. (How)

m) **Approve** the plans and specifications and **award** **Contract No. WW-607**, Ocean Beach Immediate Action Plan As-Needed, **in the amount of $1,982,250**, to the lowest, qualified, responsible and responsive bidder, Yerba Buena Engineering and Construction, Inc., to provide as-needed services to protect critical Wastewater Enterprise infrastructure including the Lake Merced Tunnel at Ocean Beach. The proposed action constitutes the Approval Action pursuant to Section 31.04(h) of the San Francisco Administrative Code. (Moala)

n) **Approve** the plans and specifications, and **award** **Contract No. WW-619**, As-Needed Spot Sewer Replacement No. 34, **in the amount not-to-exceed $7,311,675**, 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 the City of San Francisco. The proposed action is an Approval Action as defined in Chapter 31 of the San Francisco Administrative Code. (How)

**REGULAR SESSION**

11. **Approve** the terms and conditions and **authorize** the General Manager to execute a **five-year revocable license** to Santa Clara Valley Water District for use of approximately 936 square feet of SFPUC Parcel 109A, located adjacent to Paseo Refugio and East Calaveras Boulevard along lower Berryessa Creek in Milpitas, Santa Clara County, to reconstruct and maintain an existing flood control levee, and for use of approximately 4,985 square feet of SFPUC Parcel 109A located adjacent to the Premises for reconstruction staging. The License will replace an existing Land Use Permit dated December 16, 1975. (Carlin)

12. **Approve Modification No. 3 to the Collection Agreement by and between the United States Forest Service and the City and County of San Francisco**, through the San Francisco Public Utilities Commission, regarding the acquisition of 25.2 acres of Forest Service land near Camp Mather in Tuolumne County for the Camp septic system; and **authorize** the General Manager of the SFPUC to execute an **amendment extending the duration of the agreement up to one year**, for a total duration of four years and nine months. The time extension reflects the time required for environmental review under the National Environmental Policy Act
related to the proposed acquisition. Environmental review under CEQA for the possible acquisition and any subsequently proposed activities on the site will be completed at the time that subsequent action is requested. (Russell)

13. **Approve Amendment No. 3 to Agreement No. CS-918**, Construction Management Services New Irvington Tunnel (NIT) Project, with Hatch Mott MacDonald, to continue as the consultant construction manager for the construction of the NIT; and authorize the General Manager to execute this amendment increasing the agreement by $1,000,000, for a total not-to-exceed agreement amount of $20,500,000, and with a **time extension of three months**, for a total agreement duration of seven years three months, subject to the Board of Supervisors approval pursuant to Charter Section 9.118. (How)

14. **Public Hearing: Discussion and possible action to approve revisions to the schedule of six projects being delivered as part of the Water System Improvement Program** (WSIP): (1) San Joaquin Pipeline System; (2) San Antonio Backup Pipeline; (3) BDPL Reliability Upgrade – Pipeline (BDPL No. 5); (4) Seismic Upgrade of BDPL Nos. 3 & 4; (5) HTWTP Long-Term Improvements; and (6) Vegetation Restoration of WSIP Construction Sites; and **direct staff to send a Notice of Change Report** to the California Department of Public Health and the California Seismic Safety Commission in compliance with California Water Code Section 73502(d)(3) and California Assembly Bills 1823 and 2437. (How)

15. **Adopt the Final Mitigated Negative Declaration, the Mitigation Monitoring and Reporting Program and the Findings** as required by the California Environmental Quality Act for the Sunol Long Term Improvements Project; **Approve Project No. CUW27701**, Sunol Long Term Improvements Project; and authorize the General Manager to negotiate and seek approval by the Board of Supervisors and the Mayor and, if approved, to execute an amendment to SFPUC’s lease to Mission Valley Rock Co. reducing the size of the leased premises. (Ritchie)

16. **Authorize the General Manager to enter into a revised Memorandum of Understanding (MOU)** with the General Services Agency’s (GSA) Office of Contract Administration of the City and County of San Francisco, and the GSA’s Real Estate Division, **establishing the terms and conditions of the jurisdictional transfer of the property at 1800 Jerrold in San Francisco to the SFPUC**, including: (1) the SFPUC’s payment of up to $73,700,000, the value determined by the City’s Director of Property as necessary for the functional replacement of the existing use of 1800 Jerrold for the City’s Central Fleet Maintenance Shop; (2) the SFPUC to acquire properties at 555 Selby and 1975 Galvez, and enter into a 10-year lease at 450 Toland in San Francisco proposed for Central Shops’ relocation, subject to GSA’s right to acquire jurisdiction over the Acquired Sites and control over the Leased Site, and Central Shops’ right use the Acquired Sites and the Leased Site for its functions; and (3) other MOU terms and conditions, subject to Board of Supervisors’ approval of the jurisdictional transfer of 1800 Jerrold, consistent with the Revised MOU, and related approval actions necessary to implement the Revised MOU. The proposed action constitutes the Approval Action
pursuant to Section 31.04(h) of the San Francisco Administrative Code. (Carlin)

17. Presentation and discussion of Final Risk Assessment and Business Plan and update Status of Power Supply Contract Negotiations (Hale)

18. **Urge the California Public Utilities Commission (CPUC) to reject Pacific Gas & Electric Company’s (PG&E) proposed increase to the Power Charge Indifference Adjustment (PCIA) in Application 15-06-001, and support alternatives that will mitigate the impacts of proposed rate increases on CCA customers; and expresses support for the CPUC’s re-examination of how the PCIA is calculated and applied to CCA customers.** (Hale)

19. **Discussion regarding the CleanPowerSF business plan and possible action regarding the adoption of CleanPowerSF Business Practice Policies to guide program design, implementation and on-going operations, including product content, rate setting, program phasing, supply management, funding of financial reserves, funding of local projects and jobs, and program performance reporting and metrics.** (Hale)

20. **Public Hearing: Discussion and possible action regarding schedules of rates and charges, and periodic future adjustments in those rates and charges, for the San Francisco Public Utilities Commission Power Enterprise Phase One of the CleanPowerSF Program service within San Francisco. This action constitutes the Approval Action for the program for the purposes of CEQA, pursuant to Section 31.04(h) of the San Francisco Administrative Code.** (Sandler)

21. **Approve the form of a Standby Letter of Credit (LOC) and associated agreements with JP Morgan Chase for a not-to-exceed principal amount of $40,000,000 in support of the CleanPowerSF Program; and Authorize the General Manager to negotiate final terms of and execute the LOC.** (Sandler)

22. Public Comments on matters to be discussed in Closed Session.

23. 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:*

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)

Unlitigated Claim

*Linda Stonestreet v. City and County of San Francisco*

City Law No.: 150754/Date Filed: February 22, 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
Restore Hetch Hetchy v. City and County of San Francisco
Tuolumne County Superior Court, Case No.: CV-59426
City Law Number 151139/Date Filed: April 21, 2015

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:
City and County of San Francisco v. Pacific Gas & Electric
Federal Energy Regulatory Commission
Case No.: EL15-3-000/Date Filed: October 10, 2014

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)

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.
Case No.: ER15-702-000/Date Filed: December 23, 2014

28. 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.: ER15-703-000/Date Filed December 23, 2014

29. 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.: ER15-705-000/Date Filed: December 23, 2014
30. 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
§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

31. 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
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

32. 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

33. Announcement following Closed Session.

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

35. Other new business

36. Adjournment
NOTICE OF PUBLIC HEARING

NOTICE OF PUBLIC HEARING Tuesday, December 8, 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: Public Hearing, discussion and possible action to adopt a schedule of electric rates and charges for customers of the San Francisco Public Utilities Commission for Phase One of the CleanPowerSF (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.
CANCELLATION NOTICE

The Regular meeting of the San Francisco Public Utilities Commission Tuesday, December 22, 2015

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
Gavel-to-Gavel coverage available at:
http://sanfrancisco.granicus.com/ViewPublisher.php?view_id=22