



SAN FRANCISCO PUBLIC UTILITIES COMMISSION
City and County of San Francisco

Daniel Lurie
Mayor

REGULAR MINUTES
Tuesday, March 11, 2025
1:30 PM
(Approved March 25, 2025)

1 Dr. Carlton B. Goodlett Place
City Hall, Room 400

Commissioners

Kate H. Stacy, President
Joshua Arce, Vice President
Avni Jamdar
Stephen E. Leveroni

Dennis J. Herrera
General Manager

Tiffany Lennear
Director of Commission Affairs

ORDER OF BUSINESS

1. Call to Order

President Stacy called the meeting to order at 1:31 P.M.

2. Roll Call

Present: Stacy, Arce, Jamdar, and Leveroni

3. Approval of the Minutes of February 25, 2025

No public comment provided.

On motion to approve the minutes of February 25, 2025:

Ayes: Stacy, Arce, Jamdar, and Leveroni

4. General Public Comment

No public comment provided.

5. Report of the General Manager (discussion only)

a) Quarterly Audit and Performance Review Report

Nancy Hom Chief Financial Officer and Assistant General Manager for Business Services presented the report.

No public comment provided.

b) Auxiliary Water Supply System/Emergency Firefighting Water System Presentation
Steve Ritchie, Water Enterprise Assistant General Manager, presented the report.

No public comment provided.

c) Hetch Hetchy Capital Improvement Program Report

Katie Miller, Water Infrastructure Capital Program Director, presented the report.

Vice President Arce left the dais at 2:24 P.M. and returned to the dais at 2:28 P.M.

No public comment provided.

d) Report on Recent San Francisco Public Utilities Commission Activities, Events and Announcements

Dennis Herrera, SFPUC General Manager, provided comment regarding the United States Supreme Court ruling of City and County of San Francisco v. U.S.

Environmental Protection Agency that was in favor of the City and County of San Francisco, and reiterated the Court held that the Clean Water Act allows EPA to issue water quality permits that contain limits only on a permit holder's discharges which they can control, and not permits that make permit holders responsible for receiving water quality which they cannot control.

6. CONSENT CALENDAR

- a) Award Grant Agreement No. PRO.0300 (G), Demonstration Garden Programming and Maintenance to Earth Island Institute, acting as the fiscal sponsor for Garden for the Environment, to operate a public demonstration garden and deliver educational programming for a term of nine years and in an amount not-to-exceed \$2,000,000; and approve a nine-year, no-fee revocable license with Earth Island Institute as the fiscal sponsor for Garden for the Environment to use approximately one-half acre of real property under the jurisdiction of the San Francisco Public Utilities Commission at 7th Avenue and Lawton Street in San Francisco as a public demonstration garden and outdoor educational site in conjunction with the PRO.0300 (G) Agreement. (25-0040)
- b) Award Job Order Contract No. JOC-109R, General Engineering (A License) Construction, San Joaquin, Stanislaus, and Tuolumne Counties, Hetch Hetchy, in the amount not-to-exceed \$5,000,000, with a guaranteed minimum task order opportunity amount of \$50,000, and a duration of four years, to the responsible bidder that submitted the lowest responsive bid, Njirich & Sons Inc., to perform A-licensed general engineering construction work on San Francisco Public Utilities Commission systems and operations around Hetch Hetchy. (25-0041)
- c) Approve Modification No. 1 to Job Order Contract No. JOC-97, General Engineering (A License) Construction, San Francisco, San Mateo, Santa Clara, and Alameda Counties, with Ground Control Inc., to increase the contract not-to-exceed amount by \$2,500,000, for a revised not-to-exceed contract amount of \$7,500,000, and to increase the contract duration by three years, for a total contract duration of five years, to provide additional time and capacity for facility and asset improvements. (25-0042)

No public comment provided.

*On motion to approve the Consent Calendar Item Nos. 6a, 6b, and 6c:
Ayes: Stacy, Arce, Jamdar, and Leveroni*

REGULAR CALENDAR

7. Approve modifications to the Project Learning Partnership Grant Program Rules to increase the number of grant awards to reach a wider audience of youth and young adults as directed by the San Francisco Public Utilities Commission, better align grant funding with program costs, incorporate best practices administrative and reporting changes consistent with new city grant performance standards; and authorize the General Manager to execute Grant Agreements under the modified Grant Program. (25-0043)

Carmen Iton, Youth Programs Analyst, presented Item 7.

President Stacy announced that she received a report that the remote public call-in access code for the meeting was not working.

The correct call-in code was announced for remote callers.

President Stacy recessed the meeting at 2:46 P.M. to allow additional time for remote callers to submit public comment.

President Stacy reconvened the meeting at 2:53 P.M.

No public comment provided.

On motion to approve Item 7:

Ayes: Stacy, Arce, Jamdar, and Leveroni

8. Authorize the Issuance of Water Revenue Bonds, 2025 Series A (Refunding) (Water System Improvement Program (WSIP)) (Green Bonds), 2025 Series B (Refunding) (Local Water), and 2025 Series C (Refunding) (Hetch Hetchy Water) Bonds (collectively, the 2025 Water Refunding Bonds) to (i) pay the purchase price of certain outstanding water revenue bonds of the SFPUC tendered for cash pursuant to the Invitation, (ii) advance refund certain outstanding bonds for structuring purposes, (iii) current refund certain outstanding water revenue bonds of the SFPUC, and (iv) pay the costs of issuance of the 2025ABC Bonds to refund up to \$1.889 billion of all or a portion of the outstanding 2015 Series A, 2016 Series A, 2017 Series B, 2017 Series C, 2017 Series D, 2019 Series A, 2019 Series B, 2019 Series C, 2020 Series B, 2020 Series E, 2020 Series F, 2020 Series G, and 2020 Series H, all subject to prevailing market conditions at time of sale. The Commission resolution will approve the refunding bond sale as follows: the Water Revenue Bonds, 2025 Series A Bonds (Refunding) (WSIP) (Green Bonds) to currently refund certain outstanding 2015 Series A and 2017 Series A or purchase and refund certain 2016 Series A, 2017 Series D, 2019 Series A, and 2020 Series E Bonds if such bonds are tendered by investors for debt service savings or advance refund certain bonds for structuring purposes; and the Water Revenue Bonds, 2025 Series B Bonds (Refunding) (Regional and Local Water) to current refund certain outstanding 2017 Series B Bonds or purchase and refund certain outstanding 2019 Series C, 2020 Series B, 2020 Series F, and 2020 Series G Bonds if such bonds are tendered by investors or advance refund certain bonds for structuring purposes for debt service savings; and approve the form of, and authorize the execution and delivery of, related documents; and authorize the General Manager to negotiate the sale of the 2025 Water Refunding Bonds, as the General Manager determines is in the best financial interest of the San Francisco Public Utilities Commission, subject to the terms of the Commission resolution. [\(25-0044\)](#)

Nikolai Sklaroff, Capital Finance Director, presented Item 8.

No public comment provided.

On motion to approve Item 8:

Ayes: Stacy, Arce, Jamdar, and Leveroni

9. Award Contract No. HH-1016, San Joaquin Pipeline Valve and Safe Entry Improvements Phases 2B and 2C, to the responsible bidder that submitted the lowest responsive bid, Ranger Pipelines Incorporated, in the amount of \$50,296,818, and with a contract duration of 1,204 consecutive calendar days (approximately three years and four months), to replace inline valves and install removable spool pieces at crossover vaults (Emery, Roselle, and Pelican) and at the P4J Tie-in, to provide safe pipeline isolations for personnel entry into the pipelines. (25-0045)

Jimmy Leong, Principal Engineer, presented Item 9.

No public comment provided.

On motion to approve Item 9:

Ayes: Stacy, Arce, Jamdar, and Leveroni

10. Approve an increase of 283 calendar days to the duration contingency for Contract No. WW-662R, Southeast Water Pollution Control Plant Power Feed and Primary Switchgear Upgrades, with Blocka Construction, Inc., for a revised duration limit of 1,938 consecutive calendar days (approximately five years and four months), with no change to the contract amount, due to differing site conditions, design clarifications, delays in delivery of Hetch Hetchy Power to the Southeast Water Pollution Control Plant, operational constraints in the substation cut-over sequence, and construction of additional service protection equipment per Pacific Gas and Electric Company requirements. (25-0046)

Roland Sun, Project Manager, presented Item 10.

No public comment provided.

On motion to approve Item 10:

Ayes: Stacy, Arce, Jamdar, and Leveroni

11. Approve Amendment No. 3 to Contract No. PRO.0092, Engineering Services for South Ocean Beach Coastal Erosion and Wastewater Infrastructure Protection, with Moffatt & Nichol-AGS Joint Venture, increasing the contract not-to-exceed amount by \$7,000,000, and increasing the contract duration by six years, for a total not-to-exceed contract amount of \$12,750,000 and a total contract duration of 15 years, to continue providing engineering design and support services for the Ocean Beach Climate Change Adaptation Project due to on-going extensive coordination efforts among multiple stakeholders, technical complexities, additional analysis and design efforts needed to address challenging negotiations between affected stakeholders, and significant delays associated with the California Coastal Commission, subject to Board of Supervisors approval under Charter Section 9.118. (25-0047)

Anna Roche, Project Manager, presented Item Nos. 11 and 12 concurrently.

No public comment provided.

On motion to approve Item 11:

Ayes: Stacy, Arce, Jamdar, and Leveroni

12. Approve an increase of \$2,000,000 to the cost contingency and an increase of 1,095 calendar days to the duration contingency for Contract No. WW-714, Ocean Beach Climate Change Adaptation, Short-term Erosion Mitigation, with Minerva Construction Inc., for a revised cost limit of \$5,447,400 and a revised duration limit of 2,299 consecutive calendar days, to provide soft shoreline protection measures when monitoring requires it while the Long-term Improvements project phase continues to be developed. (25-0048)

No public comment provided.

On motion to approve Item 12:

Ayes: Stacy, Arce, Jamdar, and Leveroni

13. COMMUNICATIONS (information only)

- a. Advance Calendar
- b. Contract Advertisement Report
- c. Correspondence Log
- d. Water Supply Conditions Update
- e. CleanPowerSF Quarterly Report
- f. Quarterly Report to the Board of Supervisors on the Status of Applications to PG&E for Electric Service
- g. Quarterly Report of CAISO charges compared with projections and remaining contract expenditures under Contract No. PRO.0152, Power scheduling Coordination and Related Support Services, with APX, Inc. [Board of Supervisors Resolution No. 095-23]
- h. Water Enterprise Capital Improvement Program Quarterly Report
- i. Water System Improvement Program Quarterly Report
- j. Water Enterprise Environmental Stewardship Policy Implementation Update

14. Items initiated by Commissioners (discussion only)

No items were initiated by Commissioners.

15. Public Comment on the matter to be addressed during Closed Session

No public comment provided.

16. Motion on whether to assert the attorney-client privilege regarding the matters listed below:

*On motion to assert the attorney-client privilege:
Ayes: Stacy, Arce, Jamdar, and Leveroni*

The Commission entered Closed Session at 3:45 P.M.

CLOSED SESSION

SFPUC Officials and Staff members present during Closed Session: Kate Stacy, Commission President; Joshua Arce, Commission Vice President; Commissioner Avni Jamdar; Commissioner Stephen Leveroni; Dennis Herrera, SFPUC General Manager; Ron Flynn, Deputy General Manager; Sheryl Bregman, General Counsel; Yvonne Meré, Chief Deputy City Attorney; Steve Ritchie, Assistant General Manager, Water; Joel Prather, Assistant General Manager, Wastewater; Jannie Ram, Executive Assistant; and, Tiffany Lennear Director of Commission Affairs.

CONFERENCE WITH LEGAL COUNSEL regarding anticipated litigation (Government Code §54956.9, Administrative Code §67.10(d)(1)):

Proposed settlements of unlitigated claims for property damage resulting from the September 10, 2023 break of a water transmission pipeline at the intersection of Fillmore and Green Streets, with the City to pay the claimants the settlement amounts listed below, each in exchange for a full and final release. This approval is final under the delegated authority granted by the Board of Supervisors (Ordinance No. 20-24 (File No. 231273)).

<u>Claim No.</u>	<u>Date Filed</u>	<u>Claimant</u>	<u>Proposed Settlement Amount</u>
<u>24-01297</u>	<u>January 16, 2024</u>	<u>Pacific Gas & Electric Company</u>	<u>\$900,000</u> (25-0049)
<u>24-01906</u>	<u>March 8, 2024</u>	<u>State Farm General Insurance Company</u>	<u>\$75,000</u> (25-0050)
<u>25-01143</u>	<u>December 11, 2024</u>	<u>Kurt Niver and Kristina May</u>	<u>\$75,000</u> (25-0051)

CONFERENCE WITH LEGAL COUNSEL regarding existing litigation (California Government Code, Section 54956.9(d), and San Francisco Administrative Code, Section 67.10(d)):

City and County of San Francisco v. U.S. Environmental Protection Agency (U.S. Supreme Court, Case No. 23-753, certiorari granted May 28, 2024; City and County of San Francisco v. California State Water Resources Control Board (Alameda Superior Court Case No. RG-19042575, Filed October 30, 2019)

United States, et al. v. City and County of San Francisco (Northern District of California

Vice President Arce exited Closed Session and left the dais at 4:34 P.M.

The Commission exited Closed Session at 4:38 P.M.

17. Announcement following Closed Session

President Stacy stated that the Commission recommends the Board of Supervisors approve the settlements referenced under Item 16.

18. Motion regarding whether to disclose the discussion during Closed Session pursuant to San Francisco Administrative Code Section 67.12(a).

On motion not to disclose:

Ayes: Stacy, Jamdar, and Leveroni

19. Adjournment

President Stacy adjourned the meeting at 4:41 P.M.