



**SAN FRANCISCO PUBLIC UTILITIES COMMISSION**  
City and County of San Francisco

**London N. Breed**  
Mayor

**Minutes**  
**Tuesday, October 27, 2020**  
**1:30 P.M.**  
**(Approved November 10, 2020)**

This meeting was held by Teleconference Pursuant to the Governor's Executive Order N-29-20 and the Twelfth Supplement to Mayoral Proclamation Declaring the Existence of a Local Emergency Dated February 25, 2020

**Commissioners**

Sophie Maxwell, President  
Anson Moran, Vice President  
Tim Paulson  
Ed Harrington

**Harlan L. Kelly, Jr.**  
General Manager

**Donna Hood**  
Secretary



1. Call to Order

*President Maxwell called the meeting to order at 1:31 PM.*

2. Roll Call

*Present: Maxwell, Moran, Paulson and Harrington*

*President Maxwell stated that the first order of business would be Closed Session. She asked the Commission Secretary to open public comment.*

3. Public comment on matters to be addressed during Closed Session

*None.*

4. Motion on whether to assert the attorney-client privilege regarding the matter listed below as Conference with Legal Counsel

*On Motion to assert the attorney-client privilege:*

*Ayes: Maxwell, Moran, Paulson and Harrington*

*The Commission entered Closed Session at 1:35 PM.*

*Present: Commissioners Maxwell, Moran, Paulson and Harrington; Staff: Harlan L. Kelly, Jr. General Manager, Michael Carlin, Deputy General Manager (DGM), Eric Sandler, CFO, Barbara Hale, Assistant General Manager (AGM) Power Enterprise, Francesca Gessner, Deputy City Attorney, Lisa Berkowitz, Deputy City Attorney, Justine Hinderlitner, SFPUC Chief People Person, Lee Sayao, IS Engineer*

## CLOSED SESSION

5. Conference with Legal Counsel Regarding Pending Litigation - Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 67.10 (d) (1)

Richard Denton v. City and County of San Francisco et al

San Francisco Superior Court Case No. CGC-13-534508

Complaint filed September 26, 2013

Proposed settlement with City to pay plaintiff \$400,000 and plaintiff to resign from employment and release all claims

(Resolution 20-0214)

*The Commission exited Closed Session at 2:05 PM.*

6. Announcement following Closed Session

*President Maxwell stated item five was approved for submittal to the Board of Supervisors.*

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

*On Motion to assert the attorney-client privilege:*

*Ayes: Maxwell, Moran, Paulson and Harrington*

8. Approval of the Minutes of October 13, 2020  
*On Motion to approve the Minutes of October 13, 2020*  
*Ayes: Maxwell, Moran, Paulson and Harrington*

*No public comment.*

9. General Public Comment

- *Francisco DaCosta discussed the deliberations of meetings and asked that the topic of closed session be disclosed. He discussed the “Emerson Project”, and Dwayne Jones and partners.*
- *Alita Dupree stated it should be known that the SFPUC should be the default provider of electricity in San Francisco and that CleanPowerSF needs to be a developer of relationships. She would like to work towards CleanPowerSF being 100% renewable and cheaper than the PG&E default option.*
- *Peter Drekmeier, Tuolumne River Trust, stated that it is officially in salmon spawning season. He discussed the numbers of salmon spawning and discussed this year’s numbers compared with other years. He requested the Commission drop support for Voluntary Agreement and support Bay Delta Plan.*

10. Communications

- Contract Advertisement Report
- Correspondence Log
- General Manager Contract Delegation of Authority Quarterly Report
- In-Person Customer Payments
- Low-Carbon Standards Fuel Standard
- Streetlight Program Update
- Update on Power Enterprise Customer Programs
  - *Vice President (VP) Moran requested that staff provide information on the difference between the SFPUC and PG&E customer support programs.*
  - *Commissioner Harrington requested that the next report include more information on program effectiveness and measures.*
- Water Supply Conditions Update

Public Comment

- *David Pilpel first commented on item 10d and indicated had a good conversation with AGM Sandler on this issue. He spoke to item 10f and commended Mr. Stevens and his team on their work maintaining streetlights. He encouraged people to call 311 if they see lights out at night or on during the day.*
- *Alita Dupree expressed appreciation for the Power Enterprise updates. She discussed in-person payments during COVID, stating exposure needs to be reduced and that mail and electronic payments should be encouraged, noting that receipts are provided with electronic payments.*

11. Report of the General Manager (GM)

- Update on December 2018 Bay Delta Plan Amendment and Voluntary Agreement Negotiations with the State

*Michael Carlin, Deputy General Manager (DGM) stated that issues remaining on the table center around dry and critical year water and habitat improvements, that was the subject of a technical meeting with the state, which he briefly discussed. He noted critical and dry year issues.*

Public Comment

- *Peter Drekmeyer stated critical and dry years have more impact on water agencies that depend on river flow. He said that the SFPUC is storage dependent and discussed reservoir storage.*
- *Francisco DaCosta requested that the Commission bring the First People to the table. He stated the Tuolumne River is suffering and the most important element of the river is the salmon.*

*At the request of President Maxwell, DGM Carlin and AGM Ritchie addressed Mr. Drekmeyer's comments about storage during dry years.*

b) Pilot Program Offering on Portfolio Content Category 3 Renewable Energy Credits, Purchases for Leadership in Energy and Environment Design Certification (Hetch Hetchy Program)

*Barbara Hale, AGM Power, reviewed the conditions of and point system for the Pilot Program Offering on Portfolio Content Category 3 Renewable Energy Credits, Purchases for Leadership in Energy and Environment Design Certification.*

Public Comment

- *Alita Dupree requested a slide deck be provided for more detail. She stated renewable energy credits, bundled or unbundled, are a legitimate way to purchase energy. She hopes the program will increase renewable energy credit use across the board.*
- *Melissa Yew, Sierra Club, expressed opposition to large hydro being considered as renewable and pushed for new renewables to be build.*
- *Francisco DaCosta discussed the need to install solar farms on SFPUC land. He stated bundling leads to stacks with no empirical data.*
- *Hunter Cuttings, Sierra Club, discussed his credentials and stated the program is inconsistent with the best science on decarbonizing the California power grid. He asked that the project be critically evaluated.*
- *Eric Brooks, Californian's for Energy Choice, referenced his email to the Commission. He stated the SFPUC is going in the wrong direction and that hydroelectric is not greenhouse gas-free. He stated new renewables need to be built.*

*In response to a request from President Maxwell, AGM Hale responded to comments made by the speakers. She stated there is no request to change the definition of renewables in the context of the renewable portfolio standards, but to propose to provide customers with the opportunity that the US Green Business Council rules provides to purchase renewable energy credits or certificates to qualify for LEED certification. She noted that program performance will be reported back to the Commission.*

*AGM Hale responded to a question from President Maxwell as to whether large hydro plants are efficient or greenhouse gas-free.*

*VP Moran discussed concerns about large hydro and whether it is greenhouse gas-free as related to SFPUC reservoirs. He indicated the program is a creative solution.*

- c) Report on Recent San Francisco Public Utilities Commission Activities, Events and Announcements  
*None.*

## 12. Racial and Equity Update

*Masood Ordikhani, Chief Equity and Innovative Officer introduced the item. He noted there are two components to the Plan (1) Office of Racial Equity (ORE) plans which are due December 31, 2020, and (2) SFPUC Racial Justice Resolution.*

*Justine Hinderliter, Chief People Officer, presented on the ORE Racial Equity Action Plan Pillars (1) Hiring and Recruitment, (2) Retention and Promotion, (3) Discipline and Separation (4) Diverse and Equitable Leadership and Management, and (5) Mobility and Professional Development.*

*Mr. Ordikhani continued with a review of the remaining ORE Racial Equity Action Pillars, (6) Organizational Culture of Inclusion and Belonging, and (7) Boards and Commissions). He concluded with a review of the SFPUC Racial Justice Resolution's actionable items, plan, timeline, and deliverables.*

*In response to a request from Commissioner Harrington regarding the need for additional facts, data and baseline information, Ms. Hinderliter stated she would forward him information from her initial presentation from July which will provide workforce equity data.*

### Public Comment

- Francisco DaCosta spoke to issues associated with SFPUC's community benefits program.*
- Ali Altaha addressed racial equity and justice as applied to SFPUC employees. He spoke about issues related to contracting and LBE's.*

## 13. Policy and Government Affairs Update

*Emily Lam discussed the memo provided to the commission and provided additional information on the daily work performed by staff. She reviewed legislative work done on the local, and state and federal levels and thanked John Scarpulla and Megan Scott for their work. She indicated that members of her staff were deployed to the Emergency Operations Center. She highlighted a priority project of securing funding for low-income SFPUC customers.*

*Commissioner Harrington requested information be sent on Don Gilbert, SFPUC's lobbyist in Sacramento.*

### Public Comment

- *Francisco DaCosta commended Ms. Lam for her presentation. He asked for a SFPUC mission objective.*
- *Ali Altaha spoke about issues related to contracting and LBE's.*

*GM Kelly addressed Mr. Altaha's comments regarding SFPUC contracting.*

### 14. Bay Area Water Supply and Conservation Agency (BAWSCA) Update

*Nicole Sandkulla, BAWSCA CEO, congratulated President Maxwell in her new role as Commission President and expressed excitement for the opportunity to work with her. She congratulated Commissioner Harrington on his appointment, and she thanked Commissioners Moran and Paulson for their work.*

*She stated the consequential water supply issue facing BAWSCA constituents is uncertainty with the impact of the Bay Delta Plan and the State Boards orders for water users. She noted they are working hard on a Voluntary Agreement as an alternative to the Bay Delta Plan and will continue to work with the SFPUC on the Voluntary Agreement.*

*No public comment.*

### 15. New Commission Business

*Commissioner Harrington noted that regular Commission meetings do not allow for deep dives and engagement with stakeholders. He suggested the Commission consider workshops with the first being on Tuolumne River issues, to foster engagement, conversation and education.*

*GM Kelly discussed the need for engagement and discussed workshop options. President Maxwell indicated that she will work with staff on logistics and methods for a meaningful meeting. Brief discussion ensued on the merits of workshops and possible meeting models and topics.*

### Public Comment

- *Francisco DaCosta spoke to possible workshop topics.*
- *Peter Drekmeier, Tuolumne River Trust, expressed support for workshops to discuss facts and discussion for potential solutions.*
- *Carol Steinfeld expressed support for workshops.*
- *David Pilpel expressed support for workshops.*

## CONSENT CALENDAR

16. Approve Amendment No. 3 to Contract No. WW-647R, Southeast Water Pollution Control Plant Biosolids Digester Facilities Construction Manager/General Contractor (CM/GC) Agreement with MWH Constructors/Webcor Builders Joint Venture, to revise Sections 4.02 and 5.03 of the Agreement relating to certification by the Controller, project funding requirements, and incremental encumbrance for the CM/GC's

performance of work, with no change to the contract amount or duration. ([Resolution 20-0215](#))

*No public comment.*

## REGULAR CALENDAR

17. Approve the Water Supply Assessment for the proposed 2500 Mariposa Street/San Francisco Municipal Transportation Authority (SFMTA) Potrero Bus Yard Project which would replace the Potrero Yard Trolley Coach Facility at 2500 Mariposa Street with a new structure to accommodate bus parking and circulation, SFMTA maintenance, operation, and administrative uses, and joint development uses, pursuant to the State of California Water Code Section 10910 et seq., California Environmental Quality Act (CEQA) Section 21151.9, and CEQA Guidelines Section 15155. ([Resolution 20-0216](#))  
*AGM Ritchie introduced the item and requested approval.*

*AGM Ritchie responded to a question from Commissioner Harrington's request for information on the number of WSA's that are expected in the upcoming months.*

### Public Comment

- *David Pilpel noted SFMTA should read "Agency" (not Authority); future WSA's should note staff member; WSA's should link to latest Urban Water Management Plan; Planning Department needs to update Attachment A (page 27) to reflect latest Plan Bay Area numbers; provide him with Sept 6, 2016 guidance memo referenced on pages 22 & 23; needs net change of water use; support conclusion of WSA.*
  - *Ali Altaha provided comments regarding issues related to contracting and LBE's.*
  - *Peter Drekeimer, Tuolumne River Trust, discussed demand projections and growth and addressed Plan Bay Area. He stated discussions need to be conducted with the Planning Department regarding water supply and development.*
18. Adopt findings declaring as surplus to the San Francisco Public Utilities Commission utility needs under Charter Section 8B.121(e), and as "exempt surplus land" under California Government Code Section 54221, approximately 20 acres of underutilized unimproved agricultural property designated as Assessor Parcel No. 096-0090-005-11 in the unincorporated Town of Sunol in Alameda County, California, that is under the jurisdiction of the SFPUC; and recommend that the Board of Supervisors authorize (a) the City's Director of Property to execute a quitclaim deed conveying the Property to the East Bay Regional Park District, and (b) the SFPUC General Manager to execute an Agreement for Sale of Real Estate to convey the Property to the East Bay Regional Park District for \$500,000. ([Resolution 20-0217](#))  
*DGM Carlin introduced the item and requested approval.*

*No public comment.*

19. Authorize the General Manager to execute on behalf of the City and County of San Francisco, a Joint Funding Agreement with the U.S. Geological Survey for an amount not-to-exceed \$326,180 and with a duration of 11 months, starting November 1, 2020

and ending September 30, 2021, to allow for continued hydrologic monitoring and stream gauge maintenance in the Alameda and Peninsula Watersheds. ([Resolution 20-2018](#))

*AGM Ritchie introduced the item and requested approval.*

*No public comment.*

20. Authorize the General Manager to execute a Memorandum of Agreement with Silicon Valley Clean Water, the Bay Area Water Supply & Conservation Agency, the California Water Service Company, the City of Redwood City, and the City of San Mateo to carry out the Potable Reuse Exploratory Plan Phase 3 Feasibility Study, with a duration of 25 months and in an amount not to exceed \$160,661. ([Resolution 20-0219](#))

*AGM Ritchie introduced the item and requested approval.*

*AGM Ritchie responded to a question from President Maxwell regarding how close the partners are to a plan.*

#### Public Comment

- *Peter Drekmeier stated that the 93 MGD previously noted during the meeting is overblown. He stated the project is looking at 9 MGD. He expressed support for the project.*

21. Approve the re-allocation of \$20,000,000 in existing appropriations in the FY 2020-21 Power Enterprise Capital Plan from the SFO Substation Project, Streetlight Replacement Project and Intervening Facilities Project to the Bay Corridor Transmission/Distribution Project; and authorize the General Manager to seek Mayor and Board of Supervisors approval of a Supplemental Appropriation for the de-appropriation and re-appropriation of \$8,000,000 from the Streetlight Replacement Project to the BCTD Project. ([Resolution 20-0220](#))

*AGM Hale introduced the item and discussed the Power Capital Plan. She indicated the cost estimate for the project has increased and stated the increase to project costs is attributable to costs with the project substation. She discussed the proposed requested appropriation and re-appropriation.*

*AGM Hale responded to a question from Commissioner Moran regarding how soon the SFO project will need to be funded given the low traffic at the airport.*

*AGM Hale responded to a question from President Maxwell regarding the requested increase for the Substation Project from \$35M to \$55M to \$60M. GM Kelly provided additional information. President noted the importance of including this information for the public.*

*No public comment.*

22. Adjournment

*President Maxwell adjourned the meeting at 4:28 PM.*