



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

Daniel Lurie  
Mayor

**SPECIAL MEETING MINUTES**

**Monday, January 12, 2026**  
**1:30 PM**  
**(Approved 2/24/2026)**

1 Dr. Carlton B. Goodlett Place  
City Hall, Room 400  
**(Note different meeting day)**

**Commissioners**

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

Dennis J. Herrera  
General Manager

Tiffany Lennear  
Director of Commission Affairs

## ORDER OF BUSINESS

1. Call to Order

*President Arce called the meeting to order at 1:30 P.M.*

2. Roll Call

*Present: Arce, Leveroni, Jamdar, and Thurlow*

*Excused: Stacy*

3. Public Hearing and discussion: This meeting is convened to discuss the SPFUC's proposed budget and budget priorities pursuant to Section 3.3(b) of the Administrative Code of the City and County of San Francisco (discussion only).

*General Manager Dennis Herrera introduced the January 12<sup>th</sup> special meeting as the first in a series of hearings for the Budget, Capital Plan, and 10-Year Financial Plan which occurs every two years. Mr. Herrera also provided a brief overview of the Budget process and spoke to challenges of rising utility costs.*

a) Overview of budget priorities and process for FY 2026-27 and FY 2027-28

*Laura Busch, Deputy Chief Financial Officer, presented Item 3a.*

b) Overview of proposed operating budget for FY 2026-27 and FY 2027-28

*Anna Duning, Budget Director, presented Item 3b.*

c) Overview of 2-Year Capital Budget and 10-Year Capital Improvement Plan

*Trey Hunter, Capital Budget Manager, presented Item 3c.*

d) Overview of 10-Year Financial Plan

*Erin Corvinova, Financial Planning Director, presented Item 3d*

e) Debt and Bond Rating Outlook

*Nikolai Sklaroff, Capital Finance Director presented Item 3e.*

- *Stephen Rainaldi, City of Millbrae Vice Mayor, provided comment relating to concerns about the Millbrae Operations Center Improvement Project.*
- *Ann Schnieder, BAWSCA representative, provided comment on financial sustainability and climate leadership as they relate to the budget.*
- *Francisco Da Costa provided comment on the budget presentation and stated the presentation did not include information about quality of life issues as they relate to reservoirs.*
- *Rush Rehm, former City of San Francisco and current Redwood City ratepayer and resident provided comment relating to the SFPUC goal to provide water reliability resulting in a 21-percent rate increase for his single-family dwelling and suggested the SFPUC reevaluate design drought return estimations.*
- *Eileen Volken, Coalition for San Francisco Neighborhoods, stated that she spoke on her own behalf relating to page 188 of the Two-Year Capital Budget for FY 2024-25 to FY 2025-26 and challenged the accuracy of its content.*
- *Mark Shahinian, San Francisco Regional Group Sierra Club Executive Committee member and SFPUC ratepayer, provided comment relating to the budget stating SFPUC decisions and orientations have led to building a disproportionate amount of infrastructure and*

- waterflow from the watershed.*
- *Peter Drekmeier, Yosemite Rivers Alliance Policy Director, provided comment to remind SFPUC that the Ten-Year Capital Plan does not include the SFPUC Alternative Water Supply Plan which he stated would add between 17 and 25 billion dollars to the budget.*
  - *Dave Warner provided comment stating he has seen the financial planning process at least three years in a row and described it as more of the same; Mr. Warner stated that commissioners do not receive sufficient or timely information to effectively enact change.*
4. Proposed Bureau Operating Budgets for FY 2026-27 and FY 2027-28 (discussion only).
- a) General Manager  
*General Manager Herrera presented Item 4a.*
- b) External Affairs  
*Ron Flynn, Deputy General Manager and Active External Affairs Assistant General Manager, presented Item 4b.*
- c) Human Resources Services  
*Wendy Macy, Chief People Officer, presented Item 4c.*
- d) Business Services  
*Nancy Hom, Chief Financial Officer and Assistant General Manager for Business Services, presented Item 4d.*
- e) Infrastructure  
*Steve Robinson, Assistant General Manager – Infrastructure , presented Item 4e.*
- President Arce left the meeting at 3:47 P.M.*
- *Francisco Da Costa provided comment relating to SFPUC employees.*
  - *Mary Butterwick, San Francisco resident, provided comment stating rate increases are challenging on a fixed income, commented that the average monthly sewer rates will approach and surpass the low-income household affordability target.*
  - *Denise Louie provided comment stating the Firefighting Water System was omitted from the budget and offered alternatives to improve the budget.*
5. Motion to continue meeting to a Special Meeting noticed for Friday, January 23, 2026.  
*On motion to continue meeting to Friday, January 23, 2026:*  
*Ayes: Leveroni, Jamdar, and Thurlow*  
*Excused: Arce and Stacy*
- Vice President Leveroni recessed the meeting at 3:54 P.M.*