



SAN FRANCISCO PUBLIC UTILITIES COMMISSION
City and County of San Francisco

Daniel Lurie
Mayor

REGULAR MINUTES
Tuesday, May 13, 2025
1:30 PM
(Approved May 27, 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 1:30 P.M.

2. Roll Call

Present: Stacy, Arce, Jamdar, and Leveroni

3. Approval of the Minutes of April 8, 2025

No public comment provided.

On motion to approve the minutes of April 8, 2025:

Ayes: Stacy, Arce, Jamdar, and Leveroni

4. General Public Comment

- *Paul Wormer provided comment relating to decarbonizing the city, or electrifying everything, and inquired about the impact of converting from natural gas to electricity.*
- *Bill Clark provided comment relating to his objection of the new Marina harbor in front of Marina Green.*
- *Peter Drekmeier, Policy Director for the Tuolumne River Trust, provided comment relating to the City of Palo Alto Utilities Department expenditure for an alternative water supply plan and the rejection of the plan by the City of Palo Alto Utilities Advisory Commission.*
- *Ashley Wessinger, representing a large group of residents at the Marina, provided comment relating to the groups' investigation the impacts of flooding.*
- *John Rosapepe provided comment encouraging the Commission to hold a study session relating to the Tuolumne River voluntary agreement.*
- *David Hooper, representing Solutions Not Sandbags, provided comment to highlight the mistake of closing the Pierce Street outfall.*

5. Report of the General Manager (discussion only)

a) Climate Action Plan Update

Commissioner Jamdar thanked the General Manager and Assistant General Manager, Barbara Hale, and staff for their work to provide the Climate Action Plan Update and provided additional comments.

Dennis Herrera, SFPUC General Manager; Barbara Hale, Assistant General Manager, Power; Taylor Nokhoudian, Water Conservation Administrator; Sarah Minick, Wastewater Enterprise Manager; and Catherine Spaulding, Deputy Assistant

General Manager, Power, presented the report.

- *Nancy Haber, active member of San Francisco Climate Emergency Coalition and 350 San Francisco, thanked Commissioner Jamdar, the Commission, and staff for the Climate Action Plan Update and provided comment relating to the need for greater collaboration and cooperation among the departments of the City of San Francisco, recognizing that it is happening between the SFPUC and the Environment Department.*
- *Alaina Engle, of 350 San Francisco, provided public comment relating to her support of CleanPowerSF when it was a new Program and her work to encourage residents to sign up for its premium product.*
- *Susan Green, CleanPowerSF customer, San Francisco Climate Emergency Coalition member and works for Bay Area Clean Air, thanked the Commission for its work to meet the City's Climate Action Plan goals and provided comment.*
- *Paul Wormer provided comment relating to support of the public members who provided comment on the Climate Action Plan Update and offered points for Commission consideration.*
- *Peter Drekmeier provided comment that he had not read the plan, it sounds good, he wished staff success, and agrees that climate change needs to be addressed.*

b) Results of the 2025 Water Refunding Bond Sale

Nikolai Sklaroff, Capital Finance Director, presented the report.

No public comment provided.

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

No report provided.

6. Bay Area Water Supply and Conservation Agency Report

Tom Smegal, BAWSCA GM and CEO, presented the report.

No public comment provided.

7. **CONSENT CALENDAR**

- a) Award Contract No. WW-754, West SOMA, Panhandle, and Inner Sunset Sewer Improvements, to responsible bidder that submitted the lowest responsive bid, Precision Engineering, Inc., in the amount \$17,912,054 and with a duration of 480 consecutive calendar days (approximately one year and four months), to rehabilitate and replace large diameter sewers and laterals on specified streets within the City and

- County of San Francisco. This action constitutes the Approval Action for the West SOMA Sewer Improvement work for the purposes of the California Environmental Quality Act (CEQA), pursuant to San Francisco Administrative Code section 31.04(h). The Planning Department has determined that the Project is exempt from the CEQA. The Commission will rely on that determination to make its decision on this action. (25-0062)
- b) Award Contract Nos. PRO.0308.A-D, As-Needed Engineering Design Services to AECOM Technical Services, Inc. and Water Resources Engineering, Joint Venture (AECOM-WRE, JV) (PRO.0308.A); Kennedy/Jenks Consultants and AGS, Joint Venture (KJ-AGS, JV) (PRO.0308.B); Brown and Caldwell and Joe Hill Consulting & Engineering Corporation, Joint Venture (BC-JHCE, JV) (PRO.0308.C); and Stantec Consulting Inc. and SRT Consultants, Inc., Joint Venture (Stantec-SRT, JV) (PRO.0308.D), each for an amount not-to-exceed \$4,800,000 and with a duration of five years, to provide as-needed professional engineering design and support services necessary for the design and construction of improvements to various San Francisco Public Utilities Commission facilities. (25-0063)
- c) Award Contract Nos. PRO.0282.A-C, As-Needed Security Consulting and Design Services, to Catalyst Consulting Group, Inc. (PRO.0282.A), Arup US, Inc. (PRO.0282.B), Jacobs Engineering Group, Inc. (PRO.0282.C), for an amount not-to-exceed \$6,000,000 per contract and with a duration of five years, to supplement SFPUC staff to provide technical expertise in security program/project management, engineering design for security related projects, and security design support during construction for security improvements at various San Francisco Public Utilities Commission facilities. (25-0064)
- d) Award Contract No. WW-757R, Laguna, Howard, and Mission Creek Combined Sewer Discharge Improvements, to the responsible bidder that submitted the lowest responsive bid, Pullman SST, Inc., in the amount of \$7,296,786, with a duration of 510 consecutive calendar days (approximately one year and five months), to rehabilitate six combined sewer discharge structures, located along Laguna Street, Howard Street, Third Street, Fourth Street and Sixth Street, in the City and County of San Francisco. This action constitutes the Approval Action for the Project for the purposes of the California Environmental Quality Act (CEQA), pursuant to San Francisco Administrative Code section 31.04(h). The Planning Department has determined that the Project is exempt from the CEQA. The Commission will rely on that determination to make its decision on this action. (25-0065)
- e) Award Contract No. WW-727R, Various Locations Sewer Replacement No. 16, to the responsible bidder that submitted the lowest responsive bid, Michael O'Shaughnessy Construction, Inc., in the amount of \$8,363,587, and with a duration of 580 consecutive calendar days (approximately one year and seven months) to replace/line existing sewers on specified streets in the City and County of San Francisco. This action constitutes the Approval Action for the Project for the

purposes of the California Environmental Quality Act (CEQA), pursuant to San Francisco Administrative Code section 31.04(h). The Planning Department has determined that the Project is exempt from the CEQA. The Commission will rely on that determination to make its decision on this action. (25-0066)

- f) Approve increases of \$250,000 to the cost contingency and 50 calendar days to the duration contingency for Contract No. HH-1011, O’Shaughnessy Dam Instream Flow Release Valve Replacement with Sierra Mountain Construction, Inc., for a revised cost limit of \$6,806,000, and a revised duration limit of 749 calendar days (approximately two years and one month), for additional costs and schedule impacts related to the installation of two new vent pipes to address unexpected cavitation during high-flow releases, as well as differing site conditions that may arise from rising river level during runoff season, and potential issues with the as-built information. (25-0067)

No public comment provided.

On motion to approve the Consent Calendar:

Ayes: Stacy, Arce, Jamdar, and Leveroni

REGULAR CALENDAR

8. Consider and **adopt** the proposed Wholesale Water Rates and Charges for Fiscal Year 2025-2026, which will become effective for meter readings on or after July 1, 2025. The San Francisco Public Utilities Commission developed the proposed rates and charges in accordance with the terms of the Water Supply Agreement between the City and County of San Francisco and its Wholesale Customers, which the Commission approved on April 28, 2009, by Resolution No. 09-0069, and amended and restated on January 26, 2021, by Resolution No. 21-0009, with subsequent approval by the Wholesale Customers. This action constitutes the Approval Action for the Project for the purposes of the California Environmental Quality Act (CEQA), pursuant to San Francisco Administrative Code section 31.04(h). The Planning Department has determined that this action is exempt from the CEQA. The Commission will rely on that determination to make its decision on this action. (25-0068)

Matthew Freiberg, Rates Manager, presented Item 8.

- *Tom Smegal provided comment thanking staff for a clear process in alignment with the Water Supply Agreement, thanked the Commission for maintaining moderate water costs, and provided a response to comments by Commissioner Arce.*

On motion to approve Item 8:

Ayes: Stacy, Arce, Jamdar, and Leveroni

9. Approve an increase of 212 calendar days to the duration contingency for Contract No. WW-628, Southeast Water Pollution Control Plant New Headworks Facility, with Sundt-Walsh Joint Venture (Construction Manager/General Contractor or CM/GC), for a revised duration limit of up to 3,516 consecutive calendar days, with no change to the contract amount of \$570,380,175, to complete the remaining contract work, and add new scope to demolish the existing all-weather Headworks (SEP 012), which is no longer needed, as the New Headworks Facility is fully operational. (25-0069)

Jignesh Desai, PMB Project Manager, presented Item 9.

No public comment provided.

On motion to approve Item 9:

Ayes: Stacy, Arce, Jamdar, and Leveroni

10. Award professional services Contract No. PRO.0177, Sunol Valley Facilities Improvements, to CDM Smith Inc., for an amount not-to-exceed \$15,000,000 and with a duration of 10 years, to provide planning and engineering design and support services necessary for the design and construction of improvements to various SFPUC facilities in the Sunol Valley, subject to Board of Supervisors approval under Charter Section 9.118. (25-0070)

Tedman Lee, EMB Civil Division Manager, presented Item 10.

No public comment provided.

On motion to approve Item 10:

Ayes: Stacy, Arce, Jamdar, and Leveroni

11. Approve Amendment No. 1 to Contract No. PRO.0068, Biosolids Digester Facilities Construction Management Staff Augmentation Services, with Arcadis U.S., Inc., increasing the contract amount by \$26,500,000 and extending the contract duration by three years and nine months, to reflect the current schedule and budget for the Biosolids Digester Facilities Project and to ensure continued construction management support through the completion of the biosolids digester facilities, for a total not-to-exceed contract amount of \$68,500,000 and a contract duration of 10 years and nine months, subject to Board of Supervisors approval under Charter Section 9.118. (25-0071)

Carolyn Chiu, PMB Project Manager, presented Item 11.

No public comment provided.

On motion to approve Item 11:

Ayes: Stacy, Arce, Jamdar, and Leveroni

12. Approve Amendments No. 1 to Contract Nos. PRO.0233.A, B, C, and E, and Amendment No. 2 to Contract No. PRO.0233.D, for As-Needed Construction Management Services, with Avila & Associates Consulting Engineers, Inc. (PRO.0233.A), Environmental & Construction Solutions, Inc. (PRO.0233.B), Townsend Management, Inc. and C M Pros Joint Venture (PRO.0233.C), Mott McDonald Group, Inc. and Dabri, Inc., Joint Venture (PRO.0233.D), and GHD, Inc. and Hollins Consulting, Inc., Joint Venture (PRO.0233.E), increasing each contract by \$2,000,000, for a total not-to-exceed amount of \$6,000,000 per contract, with no change to the duration, to continue providing as-needed construction management services to support the San Francisco Public Utilities Commission's ongoing capital improvement programs and associated construction projects as well as other public works projects. (25-0072)

Mario Valdez, CMB Construction Manager, presented Item 12.

No public comment provided.

On motion to approve Item 12:

Ayes: Stacy, Arce, Jamdar, and Leveroni

13. Approve Modification No. 2 to Contract No. WD-2889, As Needed Water Service Line Replacement with JMB Construction, Inc., increasing the contract amount by \$4,263,992 for a revised contract amount of \$33,174,191 with no change to the contract duration, to add work scope to include pavement restoration work for water service repairs, new water service installations greater than 2-inches, and custom new services including water main extension work. (25-0073)

Lynn Fong, CDD Engineer/Architect Principal, presented Item 13.

No public comment provided.

On motion to approve Item 13:

Ayes: Stacy, Arce, Jamdar, and Leveroni

14. Approve the 2025 Amended and Restated Water Supply Agreement between the City and County of San Francisco and Wholesale Customers in Alameda, San Mateo and Santa Clara Counties, amending the 2021 Amended and Restated Water Supply Agreement to (1) revise Section 3.07 concerning Minimum Annual Purchase Quantities, (2) adjust the Minimum Annual Purchase Quantities listed in Attachment E, (3) modify the Tier 1 Water Shortage Allocation Plan in Attachment H, and (4) make other administrative updates and corrections; and authorize the General Manager to amend the Individual Water Sales Contracts between the City and County of San Francisco and Alameda County Water District and the Cities of Milpitas, Mountain View, and Sunnyvale to reflect those four Wholesale Customers' respective new Minimum Annual Purchase Quantities. (25-0074)

Alison Kastama, Principal Administrative Analyst, Water, presented Item 14.

No public comment provided.

On motion to approve Item 14:

Ayes: Stacy, Arce, Jamdar, and Leveroni

15. Approve the Second Amendment to the Individual Water Sales Contract between the City and County of San Francisco (San Francisco) and the City of Redwood City (Redwood City), to (1) adjust the boundaries of the service area where Redwood City may use or sell water delivered by San Francisco to reflect Redwood City's agreement to take over water service obligations to 12 SFPUC retail customers located in the Redwood City sphere of influence and (2) modify the terms of Section 3 to address the relationship of that retail customer transfer on the SFPUC's determination of excess use charges that Redwood City may be required to pay during times of mandatory rationing in a declared water shortage emergency, in accordance with Sections 2.03.D and 3.03.B of the 2021 Amended and Restated Water Supply Agreement. [\(25-0075\)](#)

Alison Kastama, Principal Administrative Analyst, Water, presented Item 15.

- *Tom Smegal provided comment relating to communications with SFPUC staff about the 85 customers, and iterated the importance of increasing reliability for those customers.*

On motion to approve Item 15:

Ayes: Stacy, Arce, Jamdar, and Leveroni

16. **COMMUNICATIONS (information only)**
- Advance Calendar
 - Contract Advertisement Report
 - Correspondence Log
 - Water Supply Conditions Update
 - Annual Electric Reliability Compliance Program Report
 - Annual Power Risk Management Plan Update - 2024
 - Quarterly Report on Delegated Actions to the GM Pursuant to Commission Resolution 24-0185
 - Green Infrastructure (GI) Grant Quarterly Report (Q1) Pursuant to Board of Supervisors Ordinance 207-24
 - Annual CleanPowerSF SuperGreen Multi-Year Service Agreement Update

17. Items initiated by Commissioners (discussion only)

No items were initiated by Commissioners.

18. Public Comment on the matters to be addressed during Closed Session

No public comment provided.

19. 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 4:28 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, General Manager; Ron Flynn, Deputy General Manager; Sheryl Bregman, General Counsel; Chris Tom, Deputy City Attorney; Stephen Ritchie, Assistant General Manager; Jannie Ram; Executive Assistant; and Tiffany Lennear, Director of Commission Affairs.

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

Archdiocese of San Francisco Parish and School Juridic Persons Real Property Support Corporation v. City and County of San Francisco

Unlitigated Claim File No.: 23-02596

San Francisco Superior Court Case No.: CGC-25-623430

Date Claim Filed: June 28, 2023

Date Complaint Filed: March 19, 2025

Proposed settlement of an unlitigated claim for property damage resulting from a water main break with the City to pay plaintiffs Archdiocese of San Francisco Parish and School Juridic Persons Real Property Support Corporation \$247,500, in exchange for a dismissal of the lawsuit with prejudice and a full and final release, subject to final approval by the Board of Supervisors. (Action Item) (Bregman)

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

Ralph Bower, et al. v. City and County of San Francisco

San Francisco Superior Court Case No.: CGC-23-605730

Date Filed: April 10, 2023

Proposed settlement of personal injury claim with the City and County of San Francisco to pay plaintiff Ralph Bower \$400,000, in exchange for a full and final release, subject to

final approval by the Board of Supervisors.

(Action Item) (Bregman)

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

Thomas and Eleanor Wehlen v. City and County of San Francisco

San Francisco Superior Court Case No. CGC-23-605031

Date Filed: March 27, 2023

Proposed settlement of a claim for property damage resulting from a water line break with the City to pay plaintiffs Thomas and Eleanor Wehlen \$530,000, in exchange for a full and final release, subject to final approval by the Board of Supervisors.

(Action Item) (Bregman)

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

Proposed settlement of an unlitigated claim 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 claimant the amount listed below 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)).

(Action Item) (Bregman)

Claim No.	Date Filed	Claimant	Proposed Settlement Amount
<u>24-00846</u>	<u>November 2, 2023</u>	<u>MG Restaurants, Inc.</u>	<u>\$59,066.68</u>

The Commission exited Closed Session at 4:43 P.M.

20. Announcement following Closed Session

President Stacy stated that the Commission recommends the Board of Supervisors approve the settlements referenced under Item 19.

21. Motion 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, Arce, Jamdar, and Leveroni

22. Adjournment

President Stacy adjourned the meeting at 4:45 P.M.