



SAN FRANCISCO PUBLIC UTILITIES COMMISSION
City and County of San Francisco

London N. Breed
Mayor



REGULAR MEETING MINUTES
Tuesday, November 8, 2022
1:30 PM
(Approved December 13, 2022)

1 Dr. Carlton B. Goodlett Place
City Hall, Room 400
San Francisco, CA 94102

Commissioners

Newsha Ajami, President
Sophie Maxwell, Vice President
Tim Paulson
Tony Rivera
Kate Stacy

Dennis J. Herrera
General Manager

Donna Hood
Secretary

1. Call to Order
President Ajami called the meeting to order at 1:33 pm.
2. Roll Call
Present: Ajami, Maxwell, Paulson, Rivera, and Stacy
3. Adopt renewed findings under State Urgency Legislation to allow hybrid in-person meetings during the COVID-19 Emergency and direct the Commission Secretary to agendize a similar resolution at a Commission Meeting within the next 30 days. ([Resolution 22-0190](#))

No public comment.

On Motion to approve item 3:

Ayes: Ajami, Maxwell, Paulson, Rivera, and Stacy

4. Approval of the Minutes of the Special Meeting of October 24, 2022

Public Comment

- *David Pilpel stated he would provide non-substantive edits to the Commission Secretary.*

On Motion to approve the Minutes of the Special Meeting of October 24, 2022:

Ayes: Ajami, Maxwell, Paulson, Rivera, and Stacy

5. General Public Comment

- *David Pilpel stated he participated in the Revenue Bond Oversight Committee tour of the Oceanside Plant (OSP) and gave a positive review. He indicated he was unable to provide comment on items 15-18 on the October 24 agenda and expressed support. He complemented staff on the quick response to the water main break at Union and Fillmore Streets.*
- *Francisco DaCosta discussed housing developments located at Lake Merced and throughout the city and stated a water supply assessment should be conducted.*
- *Eileen Boken thanked staff for the OSP tour. She posed several questions for the Commission's consideration.*
- *Dave Warner discussed wholesale water rates and asked that an update be provided.*
- *Barry Nelson, Golden State Salmon Association, welcomed the new Commissioners and offered information on the Association's work.*

6. Communications

- a) Advance Calendar
- b) Correspondence Log
- c) Annual Report on Net Energy Metering and Shared Renewable Energy
- d) Chlorate Notification Level Exceedance at Moccasin, Early Intake and O'Shaughnessy Water Systems
- e) Power Quarterly Report on Delegated Authority Contracts Pursuant to Administrative Code Section 21.43

Public Comment

- f) *David Pilpel thanked staff for the Annual Report on Net Energy Metering and Shared*

Renewable Energy.

7. Report of the General Manager (GM)

a) Drought Conditions Update

Steve Ritchie, Assistant General Manager (AGM) Water, reviewed (1) October 31, 2022 Reservoir Storage: Water Bank is at 45% of maximum storage; (2) Other California Reservoirs: Shasta, Oroville and Don Pedro Reservoirs are at 31%, 31%, and 49% of capacity, respectively; (3) California Drought Monitor: Depending on location, the states is in severe, extreme, or exceptional drought; (4) Hetch Hetchy Precipitation: Two inches of precipitation has been received since the report date of October 31, 2022; (5) Upcountry 6-Station Precipitation Index (as of October 30, 2022); (6) Bay Area 7-Station Precipitation Index (as of October 30, 2022); (7) Upcountry Snowpack: Snow level down to 4,000 feet with snow throughout the Sierra; (8) Water Available to the City: Curtailments suspended last week; (9) National Precipitation Forecast: Additional precipitation is forecasted; and (10) Total Deliveries: Tracking to 2015 levels.

At the request of President Ajami, AGM Ritchie indicated that Hetch Hetchy precipitation charts will include information beginning with the year 2000 and that it will show trends and extremes.

Commissioner Paulson mentioned a Los Angeles Times article about the 6 billion gallons of water savings in their service area. AGM Ritchie noted the SFPUC's system has approximately 3 billion gallons of water savings.

Public Comment

- *Francisco DaCosta stated local tribes should be provided with the opportunity to offer comment.*

b) Quarterly Audit and Performance Review Report (QAPR)

GM Herrera informed the Commission that Nancy Hom was selected as the AGM for Business Services. AGM Hom thanked GM for the opportunity and introduced Irella Blackwood, Audit Bureau Director who provided the QAPR.

Director Blackwood indicated that for FY 2022-23 there have been 28 audits and assessments with 14% complete (4), 54% in progress (15), and 32% (9) upcoming. She stated the Calendar Year 2021 Post Audit, and the FY 2021-22 Annual Physical Inventory Count have been completed.

Director Blackwood reviewed open City Services Auditor audits and recommendations and stated management agrees with the recommendations. She provided a review of FY 2022-23 fourth quarter audits that are completing and are upcoming.

Public Comment

- *Francisco DaCosta requested an audit be conducted of the building of 1550 Evans.*

c) Lower Tuolumne River Fall-run Chinook Salmon Background and Update

Bill Sears, Science and Policy Analyst, Natural Resources and Lands Management

Division, began with a review of the fall-run Chinook salmon lifecycle. He discussed “escapement” indicating it is adult fish that escape harvest and mortality to spawn in rivers. He noted it does not include escapement from hatcheries. He stated the adult escapement counting weir counts adults on their way in; Rotary Screw Traps (RSTs) estimate the number of juveniles on their way out; and the two RST locations allow estimation of juvenile survival between the two traps.

Analyst Sears discussed how escapement is looking thus far and noted cumulative Chinook passage at the Tuolumne River weir (2016 through 2022). He reviewed the decline of Tuolumne fall-run over the decades (1952 through 2021) and the breakdown of the spring flow/escapement relationship (1952 to 2021).

Mr. Sears reviewed contributing factors to low escapements and discussed what is being done. He indicated the Voluntary Agreement includes measures to increase in-river productivity and survival (habitat restoration, floodplain rearing flows, larger spring pulse flows to increase juvenile survival, and predation suppression to increase juvenile survival). He stated hatchery strays continue to undermine efforts to improve Tuolumne escapement.

He reviewed the location of five fall-run production Chinook hatcheries in the Central Valley, noting four are operated by the California Department of Fish and Wildlife and one is operated by the United States Fish and Wildlife Service. He discussed next steps, indicating that in the coming months staff will provide updates regarding adult escapement, juvenile outmigration, Upper Tuolumne River Ecosystem program, and spring ecosystem management releases.

Analyst Sears responded to questions from Vice President (VP) Maxwell as to how hatchery strays degrade; and to a question from Commissioner Paulson as to the definition of “spring pulse flow”.

President Ajami discussed slides addressing escapement and the shift in passage time. She asked how easy it is to recognize the difference between a fishery fish and a natural fish and if the percentage of each is known. Mr. Sears indicated that the California Department of Fish and Wildlife mark 25% of hatchery fish for identification. He discussed and noted how fish counting takes place. Discussion ensued.

In response to a question from VP Maxwell, Mr. Sears discussed non-native invasive species with specific discussion of the negative impact of hyacinth on the ability for fish passage. Discussion ensued on efforts to reduce the effects of non-native invasive species and which agency holds responsibility.

Public Comment

- *Francisco DaCosta stated that federal agencies need to be invited to the discussion. He stated there was no mention of the temperature of the river.*
- *(inaudible) indicated the Chinook passage graph doesn't show counts before the 1919 – 1923 building of the dam.*
- *Barry Nelson, Golden State Salmon Association, discussed the connection between flow*

- and the salmon population. He stated the fish are not surviving outmigration. He noted the correspondence he sent to the Commission.*
- *Peter Drekmeier, Tuolumne River Trust, discussed the slide related to the Tuolumne fall-run decline and stated the slide uses two data sources and should be corrected. He discussed correspondence he sent to the Commission.*
 - *Dave Warner discussed his thoughts on the purpose of the report and indicated it should provide current, tangible evidence as to the state of the Tuolumne ecology. He discussed the data and stated that improvement is needed.*
 - *John McManus, President, Golden State Salmon Association, discussed the temperature of the river and its effect on fish eggs. He discussed Delta exports beginning in the year 2000. He stated additional flow is need in the river and hatchery fish are not the problem.*
 - *Cindy Charles discussed her fishing experiences on the Tuolumne. She stated that in addition to their numbers, the condition of the juvenile fish should also be considered.*

President Ajami stated future analysis should include climate change indicators, toxins and pollutants.

In response to a question from President Ajami, Mr. Sears discussed carcass survey data versus weir data.

Commissioner Stacy indicated that in addition to the best science, collaboration is needed between all interested parties. Mr. Sears discussed collaborative efforts with the State and other entities, noting the challenges faced. AGM Ritchie discussed the Interagency Ecological Program, which focuses on the Delta conditions and is largely driven by state and federal agencies, state water contractors, and Central Valley water contractors.

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

GM Herrera discussed the successful opening of the Southeast Community Center, noting the Center will provide broad community programming. He thanked staff for their work on the event and expressed appreciation to staff who volunteered.

No public comment.

8. New Commission Business

None.

9. Consent Calendar

- a) Accept work performed by Alta Group, Inc., for Contract No. WD-2858R, Sunol Valley Water Treatment Plant Water Quality Modular Office, for a total contract amount of \$1,272,837, and with a total contract duration of 407 consecutive calendar days; and authorize final payment to the Contractor. ([Resolution 22-0191](#))
- b) Approve the plans and specifications and award Contract No. WW-684, 45th, 46th, 47th Aves, Vicente, Wawona Streets and Sloat Blvd. Sewer Replacement, in the amount of \$7,342,613, and with a duration of 375 consecutive calendar days, to the responsible bidder that submitted the lowest responsive bid, Precision Engineering, Inc., to replace/line existing

sewers at the subject locations 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 Section 31.04(h) of the San Francisco Administrative Code. The Planning Department has determined that this action is exempt from the CEQA. If the item is approved, the Commission will rely on that determination to make its decision. ([Resolution 22-0192](#))

- c) Approve an increase of 365 calendar days to the contract duration contingency for Contract No. WW-700, As-Needed Sewer Cleaning and Inspection (FY21), with Pipe and Plant Solutions, Inc.; and authorize the General Manager to approve future modifications to the contract for a total contract duration of up to 992 consecutive calendar days, with no change to contract amount, to allow additional time for completing all current contract work including additional debris removal, and to continue issuing contract service orders. (<https://sfpuc.sharefile.com/d-s6b021683295a474988b1617ffa5c4eb8>Resolution 22-0193)
- d) Approve the plans and specifications and award Contract No. WW-705, Various Locations Sewer Replacement No. 10, in the amount of \$4,739,540, and with a duration of 350 consecutive calendar days, to the responsible bidder that submitted the lowest responsive bid, Mitchell Engineering, to replace/line/mortar the existing sewers at various locations within 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 Section 31.04(h) of the San Francisco Administrative Code. The Planning Department has determined that this action is exempt from the CEQA. If the item is approved, the Commission will rely on that determination to make its decision. ([Resolution 22-0194](#))

Public Comment

- *Eileen Boken provided comment on items 9b and 9d and asked why they are inconsistent with the city's "dig once" policy.*
- *David Pilpel provide comment on item 9b and stated he obtained more information from the environmental documents than the staff report and suggested more information be provided under the background section. He noted a typo in the second Whereas Clause in the resolution for item 9d indicating the date should reflect the year "2022".*

President Ajami stated as project replacements occur there is an opportunity for assets to be digitized.

On Motion to approve the Consent Calendar, with the amendment to the date on the resolution under item 9d.

Ayes: Ajami, Maxwell, Paulson, Rivera, and Stacy

10. Discussion and possible action to amend Resolution No. 17-0155 to authorize the General Manager to execute an amendment to the Installment Sale Agreement and Grant State Revolving Fund (SRF) loan and grant for the San Francisco Westside Recycled Water Project, increasing the not-to-exceed loan and grant amount from \$186,220,000 to \$191,094,031, and extending the grant agreement's estimated construction completion date to October 7, 2024. ([Resolution 22-0195](#))

Alexandra Gunnell, Grants and Loans Manager, introduced the item and stated it is one of nine SRF financing agreements the SFPUC has executed with the State Water Resources Control Board since 2014. She stated the SRF loan and grant offers a cost-saving alternative to revenue bond financing for water and wastewater capital projects. She indicated the original resolution for the funding agreement was approved in 2017 and since that time the project budget and duration have increased. She indicated the amendment would improve alignment between the loan agreement and the project budget and schedule.

Public Comment

- *David Pilpel stated the action is not a project under CEQA and is not a project approval. He suggested edits to the formatting of the “Resolved” clause on page three of the resolution.*
- *Eileen Boken discussed loan and grant funding received from the state for the Westside Recycling project.*

On Motion to approve Item 10:

Ayes: Ajami, Maxwell, Paulson, Rivera, and Stacy

11. Authorize the General Manager to request Board of Supervisors approval of a supplemental appropriation ordinance in the amount of \$4,579,056 for FY 22-23 to implement and administer the CleanPowerSF (CPSF) Community Food Service Energy Efficiency Program, \$1,526,352 of which to be placed on Controller’s Reserve to cover the final costs of the program. Funding for the program was approved and allocated by the California Public Utilities Commission (CPUC) from CleanPowerSF ratepayer Public Purpose Program funds. The total CPUC-approved program budget is \$4,579,056 over three years. ([Resolution 22-0196](#))

Andrew Bevington, CPSF Analyst, discussed the history of the program and the funding source.

No public comment.

On Motion to approve Item 11:

Ayes: Ajami, Maxwell, Paulson, Rivera, and Stacy

12. Award Contract No. PW-009R, As-Needed Electrical Distribution Installation & Construction Support, in the amount of \$11,500,000, and with a duration of 730 consecutive calendar days, following successful negotiations as authorized by the Commission by Resolution No. 22-0060 (March 22, 2022), to VIP Powerline Corp., in accordance with San Francisco Administrative Code Section 6.23(c)(1). The contract will augment existing Power Enterprise Field Services staff to provide services to the City’s customers, respond to emergency outages, and provide system reliability. ([Resolution 22-0197](#))

Ramon Abueg, Deputy AGM Power Enterprise, introduced the item and discussed the work and services to be performed under the contract. He reviewed the Request-for-Proposal (RFP) process and noted there was no response to two RFP advertisements. He stated that under Resolution 22-0060, the Commission authorized the GM to negotiate a contract with a qualified contractor, as allowed under the San Francisco Administrative Code. He indicated VIP Powerline Corporation submitted a proposal that accepted all city standards, contract terms, and conditions, and that the proposal was below estimate.

In response to a question from Commissioner Paulson, Deputy AGM Abueg indicated that VIP Powerline has a record of similar work and will utilize IBEW Local 1245 trained, qualified, and skilled staff to complete the work.

Public Comment

- *David Pilpel questioned if the contract needs approval from the Civil Service Commission or Prop J approval from the Board of Supervisors. He also questioned utilizing IBEW Local 1245 workers rather than IBEW Local 6 workers.*

GM Herrera stated IBEW Local 6 is supportive of the item.

On Motion to approve Item 12:

Ayes: Ajami, Maxwell, Paulson, Rivera, and Stacy

13. Public comment on the matter to be addressed during Closed Session

- *David Pilpel asked if language could be added to the description of the closed session item to include information on the underlying matter.*

14. 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 regarding the matter listed below as Conference with Legal Counsel:

Ayes: Ajami, Maxwell, Paulson, Rivera, and Stacy

The Commission entered Closed Session at 3:39 PM.

Present in Closed Session: Commissioners Ajami, Maxwell, Paulson, Rivera, and Stacy; Dennis Herrera, General Manager; Sheryl Bregman, Deputy City Attorney; Ron Flynn, Deputy General Manager; Steve Ritchie, AGM Water Enterprise; and Donna Hood, Commission Secretary.

15. CONFERENCE WITH LEGAL COUNSEL – Pursuant to California Government Code, Section 54956.9(d)(2), and San Francisco Administrative Code, Section 67.10(d)(2)

Existing Litigation

Oakes v. City and County of San Francisco

San Francisco Superior Court Case No. CGC-20-585373 / Date Filed: July 10, 2020

Proposed settlement of existing litigation by Michael Oakes against the City and County of San Francisco, with the City to pay Michael Oakes \$95,000 in exchange for a full and final release.

(Resolution 22-0198)

The Commission exited Closed Session at 3:52 PM.

16. Announcement following Closed Session

President Ajami stated the Commission recommends the Board of Supervisors approve the settlement under Closed Session item 15.

17. Motion regarding whether to disclose the discussions during Closed Session pursuant to San

Francisco Administrative Code Section 67.12(a)

On Motion not to disclose the discussions during Closed Session pursuant to San Francisco Administrative Code Section 67.12(a):

Ayes: Ajami, Maxwell, Paulson, Rivera, and Stacy

18. Adjournment

President Ajami adjourned the meeting at 3:52 PM.