



## **SAN FRANCISCO PUBLIC UTILITIES COMMISSION**

City and County of San Francisco

**London N. Breed**

Mayor

### **MINUTES**

**Tuesday, September 8, 2020**

**1:30 P.M.**

**(Approved September 22, 2020)**

This 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

During the Coronavirus Disease (COVID-19) emergency, the San Francisco Public Utilities Commission's (SFPUC) regular meeting room, City Hall, Room 400, is closed. Commissioners and SFPUC staff will convene Commission meetings remotely by teleconference.

### **Commissioners**

Ann Moller Caen, President

Francesca Vietor, Vice President

Anson Moran

Sophie Maxwell

Tim Paulson

**Harlan L. Kelly, Jr.**

General Manager

**Donna Hood**

Secretary



1. Call to Order

*President Caen called the meeting to order at 1:39 PM.*

2. Roll Call

*Present: Caen, Vietor, Moran, Maxwell and Paulson*

3. Approval of the Minutes of August 25, 2020

*On motion to approve the Minutes of August 25, 2020*

*Ayes: Caen, Vietor, Moran, Maxwell, and Paulson*

*No public comment.*

4. General Public Comment

- *Barry Nelson, Golden State Salmon Association, referenced a letter sent to the Commission regarding a Peer Review of Tuolumne River Fish Models and Proposed Voluntary Agreement (VA). He indicated the Peer Review raises important questions and it urges the Commission to withdraw the proposed VA and to cease making any claims of fishery benefits from the proposal.*
- *Peter Drekmeier, Tuolumne River Trust, discussed the letter sent to the Commission regarding a Peer Review of Tuolumne River Fish Models and Proposed VA. He indicated there is misinformation and bogus science. He discussed “required” and “total discharge” in the VA and stated it has no back-up plan based on flow.*
- *Alita Dupree expressed support for a San Francisco Municipal Utility District. She discussed the need for battery storage, solar panels, and renewables.*
- *Chris Shutes, California Sport Fishing Protection Alliance, discussed the letter sent to the Commission regarding a Peer Review of Tuolumne River Fish Models and Proposed VA. He echoed the comments of Mr. Nelson and Mr. Drekmeier and discussed elements of the Peer Review.*

*Vice President (VP) Vietor thanked the speakers. She expressed interest in hearing the results of the Peer Review. She asked that an update on battery storage be provided with the next CleanPowerSF update.*

*Commissioner Maxwell expressed interest in receiving information on the Peer Review. Commissioner Paulson stated she felt there was no need to agendaize the Peer Review but requested a written report.*

5. Communications

- a) Contract Advertisement Report
- b) Correspondence Log
- c) 2009 Water Supply Agreement Update
- d) Annual Water System Improvement Program Report
- e) Water Supply Conditions Update

*No public comment.*

*The Commission Secretary announced that the Report of the General Manager covers nine different topics. To ensure public comment is considered for the entire report, she*

*stated that public comment would be heard at three separate points (after item 6c, 6f, and 6i) to allow public comment on each of the previous three topics covered. She indicated that speakers will be given two minutes per topic, for a maximum of up to six minutes, if all three items are addressed by a speaker.*

6. Report of the General Manager (GM)

a) Update on SFPUC Operations During COVID-19 Emergency

*Harlan Kelly, Jr., GM, indicated that low-risk outdoor activities have resumed, with the possible re-opening of additional business/services soon. He stated the SFPUC continues to follow city and state guidelines and supports the overall response effort. He noted the Department Operations Center remains staffed with SFPUC personnel Monday through Friday. He stated that employees will continue to work remotely through June 2021 to help reduce the spread of COVID-19. He indicated that the Business Continuity Planning Committee is focusing on the health and safety of employees who are required to work on-site and is providing support for employees working remotely.*

*GM Kelly stated the Residential Assistance COVID-19 Program currently has 6,000 participants. He informed the Commission that it will be extended through December 2020. He noted the summer virtual tour series has concluded.*

b) Update on Moccasin, SCU Complex, and CZU Complex Fires

*Steve Ritchie, Assistant General Manager (AGM) Water, provided an update on the Moccasin, SCU Complex, and CZU Complex Fires. He stated the Moccasin fire resulted in the evacuation of Moccasin for 45 hours and indicated water and power deliveries were not disrupted. The CSU Complex Fire had a large impact on the East Bay Watershed, burning more than 2/3 of the drainage basins, with no damage to facilities. Staff from Hetch Hetchy Water and Power, Natural Resources and Lands Management, and Water and Supply and Treatment did excellent work supporting CalFire defending our facilities and maintaining water deliveries. He stated he is expecting more fires as the peak season is typically in September and October.*

c) Water Enterprise Capital Improvement Program (WECIP) Quarterly Report

*Katie Miller, Acting Director Water Capital Programs, indicated the WECIP is 37% complete with \$841M expended. Acting Director Miller provided highlights of the reporting period and noted that there are minor scheduling impacts to projects for contractors to update health and safety plans to address COVID-19. She provided brief updates for the Sunol Long Term Improvements (Alameda Creek Watershed Center), Sunol Valley Water Treatment Plant Ozone, San Andreas and Pilarcitos Dam Projects, San Andreas Pipeline No. 2 Lockbar Replacement, Local Water Conveyance/Distribution System – Water Main Replacement, San Francisco Groundwater Supply Phase 2 (Contract C), and San Francisco Westside Recycled Water.*

*Acting Director Miller responded to a question from Commissioner Maxwell as to what the San Andreas and Pilarcitos Dam soil samples were for, and a question*

from President Caen as to the expected duration of the Van Ness project. Commissioner Paulson discussed the magnitude of the Van Ness project.

No public comment on items 6a, 6b, and 6c.

d) Southeast Area Major Projects Update

Stephen Robinson, Wastewater Enterprise Capital Programs Director, provided an update on the following projects: (1) Southeast Plant (SEP) Biosolids Digester Facilities Project: He noted the current project cost of \$1,680.8M and reviewed project progress and status, (2) SEP New Headworks Facility Project: He noted the current project cost of \$618.8M and reviewed project progress and status, and (3) Southeast Community Center 1550 Evans: He noted the current project cost of \$109.5M and reviewed project progress and status. He presented the Jerrold Avenue closure re-route map. He concluded with a review of LBE and local hire requirements, noting the program exceeds requirements. He stated local artists have been hired to create public art murals at the site.

e) Sewer System Improvement Program Quarterly Report

Director Robinson discussed the program status as of June 2020. He stated that 46% of Phase I Projects are completed with \$2,978B expended. He reviewed the following for Phase I: Cost Summary, Schedule Summary, Cost Variance Themes, Largest Cost Increases, Schedule Variance Themes, and Largest Schedule Variance. He concluded with a review of project achievements.

Director Robinson responded to a question from Commissioner Moran on how to best manage scope refinement.

f) Wastewater Enterprise (WWE) Capital Improvement Program Quarterly Report

Director Robinson stated the Sewer System Improvement Program (SSIP) is comprised of the WWE Capital Improvement Program, WWE Facilities and Infrastructure Program, and WWE Renewal and Replacement Program. He reviewed Facilities and Infrastructure Cost Variance and Schedule Variance.

Director Robinson responded to a question from Commissioner Maxwell as to why there is a variance for Treasure Island Water Treatment Plant.

Public Comment (items 6d, 6e, and 6f)

- Francisco DaCosta spoke to items 6, 6e and 6f. He indicated the SSIP Task Force was created so the community has input. He discussed the increase in costs for the project and the cost and amount of energy required to run the digesters. He discussed the mural artwork and stated the money could have been used for community quality of life issues. He indicated there was a spill at the treatment plant and that the smell that adversely affects the community.

g) Alternative Water Supply Planning Quarterly Report

AGM Ritchie discussed the need for Alternative Water Supplies (dry-year needs and all-year needs). He reviewed the planning approach for the development of an

*Alternative Water Supply Plan. He reviewed the project portfolio and schedule, noting key milestones scheduled in July 2023 and December 2028. He covered unique challenges and indicated alternative water supplies require a long-term planning horizon.*

*AGM Ritchie discussed project planning highlights for the following: (1) Daly City Recycled Water Expansion Project (collaboration and cost-share), (2) Purified Water Projects (evaluate feasible alternatives and understand incremental benefit to SFPUC supplies), (3) Los Vaqueros Reservoir Expansion (Joint Powers Authority Agreement, Cost Share Agreement, First and Second Amendment to the Multi-party Agreement, and identify feasible conveyance), (4) Calaveras Reservoir Expansion (identify opportunities and constrains for expansion), and (5) Brackish Water Desalination (understand water rights and potential for exchanges).*

*AGM Ritchie responded to a question from VP Vietor regarding the timeline for the South Bay Aqueduct.*

*President Caen departed the meeting at 3:17 PM. VP Vietor assumed as Chair.*

- h) SFPUC Regional Water System Water Supply and Demand Worksheet  
*AGM Ritchie began with a review of the worksheet mechanics and displayed a “Draft SFPUC Water Supply and Demand Worksheet”. He discussed the extensive amount of data to be included in the worksheet and the time it will take to populate it. He indicated that staff has been working with Commissioner Moran on the worksheet. He discussed ways in which the data and the worksheet will be utilized.*

*AGM Ritchie responded to a question from VP Vietor as to how the “moving parts” will fit together.*

*Commissioner Maxwell thanked AGM Ritchie and stated she sees the worksheet as an organizing tool. Brief discussion ensued regarding the worksheet, as a working tool and how the data should be used and measured.*

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

Public comment on items 6g and 6h

- Peter Drekmeier, Tuolumne River Trust, spoke first to item 6g. He expressed appreciation for the report and stated he finds 98MGD absurd. He referenced his May 11 correspondence to the Commission for planning for future demand for climate change. He continued with comments on item 6h and said an important question is how the SFPUC determines “firm yield” and that it needs to be clear. He stated the Tuolumne River Trust has a simpler water supply calculator and that the results of the worksheet and their calculator be compared.*

*Commissioner Moran stated that items addressed by Mr. Drekmeier can be displayed in the worksheet. He discussed the “zeros” in the worksheet and how that can be addressed. He indicated that using current information is key and that information should be rigorously revised as soon as possible. Brief discussion ensued.*

*President Caen returned to the meeting at 3:47 PM.*

#### 7. New Commission Business

*Commissioner Maxwell asked about the status of the racial equity update and requested it be scheduled at the next meeting.*

#### Public Comment

- *Francisco DaCosta spoke to item 6h and expressed the need for real-time analysis. He stated millions of gallons of water is being wasted and asked what the impact of the fires on the watershed is. He stated the first people need to be brought into the discussions.*

*The Commission recessed at 3:54 PM and reconvened at 4:09 PM.*

#### 8. Consent Calendar

- Approve the plans and specifications, and award Contract No. WD-2852R, San Francisco Westside Recycled Water Irrigation System Retrofits, in the amount of \$2,483,525 and with a duration of 425 consecutive calendar days (approximately one year, two months), to the responsible bidder submitting the lowest responsive bid, Fontenoy Engineering, Inc., to construct irrigation system retrofits in Golden Gate Park and Lincoln Park Golf Course to bring the systems into compliance with recycled water regulations using State grant funds. ([Resolution 20-0192](#))
- Approve the plans and specifications, and award Contract No. WD-2861, Auxiliary Water Supply System Clarendon Supply 2019, in the amount of \$2,685,720, and with a duration of 327 consecutive calendar days, to the responsible bidder submitting the lowest responsive bid, Mitchell Engineering, to install a new Emergency Firefighting Water System pipeline and valve assembly within the public right of way below Summit reservoir at the intersection of Clarendon Avenue and Dellbrook Avenue. This action constitutes the Approval Action for the project for the purposes of CEQA, pursuant to Section 31.04(h) of the San Francisco Administrative Code. ([Resolution 20-0193](#))
- Approve an increase of 180 calendar days to the contract duration contingency for Contract No. WW-673, Oceanside Water Pollution Control Plant Door Assembly Upgrade, with Rubecon Builders; and authorize the General Manager to approve future modifications to the contract for a total contract duration of up to 840 consecutive calendar days (approximately two years and four months), with no change to the contract amount. ([Resolution 20-0194](#))

- d) Accept work performed by Pipe and Plant Solutions, Inc. for Contract No. WW-676, As-Needed Sewer Cleaning and Inspection (FY19); approve Modification No. 2 (Final), increasing the contract amount by \$79,914, for a total contract amount of \$2,252,221 with no change to the agreement duration; and authorize final payment to the contractor. ([Resolution 20-0195](#))
- e) Approve an increase of up to \$200,000 to the existing contract cost contingency and an increase of up to 120 consecutive calendar days to the existing duration contingency for Contract No. WW-683R, Sansome, 5th, 6th (North), and Division Streets Combined Sewer Discharge Rehabilitation and Backflow Prevention; and authorize the General Manager to approve future modifications to the contract for a total contract amount of up to \$6,597,799 and a total duration of up to 561 consecutive calendar days. ([Resolution 20-0196](#))
- f) Accept work performed by Power Engineering Construction Company for Contract No. WW-688(E), Southeast Outfall Islais Creek Crossing – Emergency Bypass Project; approve Modification No. 2 (Final), increasing the contract duration by 24 consecutive calendar days and decreasing the contract amount by \$6,043, for a total contract duration of 449 consecutive calendar days, and a total contract amount of \$4,621,265; and authorize final payment to the contractor. ([Resolution 20-0197](#))

*No public comment.*

*On motion to approve Consent Calendar items 8a through 8f:  
Ayes: Caen, Vietor, Moran, Maxwell, and Paulson*

- 9. Approve the terms and conditions and authorize the General Manager to execute Amendment No. 1 to the Office Lease dated January 12, 2016 between 150 Executive Park, LLC, as landlord, and the City and County of San Francisco, through its Public Utilities Commission, as tenant, at 150 Executive Park, Suite 1300, San Francisco, California, extending the lease term by four years to January 31, 2025 for a total lease term of nine years, and with a new initial base annual rent of \$120,339.60 and a one-time rent increase on July 1, 2022 to \$149,904 annually. ([Resolution 20-0198](#))  
*Michael Carlin, Deputy General Manager (DGM) introduced the item and requested approval.*

*No public comment.*

*On motion to approve item 9:  
Ayes: Caen, Vietor, Moran, Maxwell, and Paulson*

- 10. Authorize the General Manager to execute an Amended Memorandum of Understanding by and between the San Francisco Public Utilities Commission and the San Francisco Recreation and Parks Department to allow the SFPUC to use State grant funds to construct irrigation system retrofits in Golden Gate Park and Lincoln

Park Golf Course to support the SFPUC's Westside Recycled Water Project.  
(Resolution 20-0199)

*AGM Ritchie introduced the item and requested approval.*

*No public comment.*

*On motion to approve item 10:*

*Ayes: Caen, Vietor, Moran, Maxwell, and Paulson*

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

*None.*

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

*On motion to assert attorney-client privilege:*

*Ayes: Caen, Vietor, Moran, Maxwell, and Paulson*

*The Commission entered Closed Session at 4:16 PM.*

13. Conference with Legal Counsel – Pursuant to California Government Code, Section 54956.9(a), and San Francisco Administrative Code, Section 67.10(d)(1)

Conferring with, or receiving advice from, the City Attorney regarding the following existing litigation in which the City is a petitioner and Pacific Gas & Electric Company is an adverse party: In re: PG&E Corporation and Pacific Gas & Electric Company, United States Bankruptcy Court, Northern District of California, Case No. 9-30088-DM, filed January 29, 2019; Federal Energy Regulatory Commission Case No. EL 19-38-000, filed January 28, 2019; Federal Energy Regulatory Commission Case No. ER18-1482-000, filed April 30, 2018; Federal Energy Regulatory Commission Case No. ER18-1102-000, filed March 15, 2018; Federal Energy Regulatory Commission Case No. ER18-790-000, filed, February 2, 2018; Federal Energy Regulatory Commission Case No. ER18-768-000, filed January 31, 2018; Federal Energy Regulatory Commission Case No. ER18-198-000, filed October 31, 2017; Federal Energy Regulatory Commission Case No. ER17-2406-000, filed August 31, 2017; Federal Energy Regulatory Commission Case No. ER17-2181-000, filed July 31, 2017; Federal Energy Regulatory Commission Case No. ER17-2204, filed July 31, 2017; Federal Energy Regulatory Commission Case No. ER17-1509-000, filed May 1, 2017; Federal Energy Regulatory Commission Case No. ER17-910-000, filed January 31, 2017; Federal Energy Regulatory Commission Case No. EL 15-3-000, filed October 10, 2014; Federal Energy Regulatory Commission Case No. ER15-702-000, filed December 23, 2014; Federal Energy Regulatory Commission Case No. ER15-703-000, filed December 23, 2014; Federal Energy Regulatory Commission Case No. ER15-704-000, filed December 23, 2014; Federal Energy Regulatory Commission Case No. ER15-705-000, filed December 23, 2014; Federal Energy Regulatory Commission Case No. ER15-735-000, filed December 23, 2014; California Public Utilities Commission Case No. 1.15-08-019, filed February 25, 2015; California Public Utilities Commission Case No. R.18-10-007, filed October 25, 2018; California Public

Utilities Commission Case No. R.19-01-006, filed January 10, 2019; and California Public Utilities Commission Case No. R.19-09-016, filed January 10, 2019

*The Commission exited Closed Session at 5:45 PM.*

14. Announcement following Closed Session  
*President Caen announced no action was taken during Closed Session.*
  
15. 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:*  
*Ayes: Caen, Vietor, Moran, Maxwell, and Paulson*
  
16. Adjournment  
*President Caen adjourned the meeting at 5:47 PM.*