



## **SAN FRANCISCO PUBLIC UTILITIES COMMISSION**

City and County of San Francisco

**London N. Breed**

Mayor

### **REGULAR MEETING AGENDA**

**Tuesday, December 8, 2020**

**1:30 P.M.**

This meeting is being 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

#### **WATCH LIVE:**

<https://www.sfgovtv.org/sfpuc>

#### **PUBLIC COMMENT CALL-IN:**

**1 (415) 655-0001 / MEETING ID: 146 395 4844 # #**

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**

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

**Michael Carlin**  
Acting General Manager

**Donna Hood**  
Secretary



**Accessible Meeting Policy:** To obtain meeting materials in alternative format, please contact the Commission Secretary at 415-554-2165 or via email at [Commission@sfgwater.org](mailto:Commission@sfgwater.org). Providing at least 72 hours' notice will help to ensure availability. Written reports or background materials for calendar items are available on-line at <http://www.sfgwater.org/index.aspx?page=167>.

**Know Your Rights Under the Sunshine Ordinance:** Government's duty is to serve the public, reaching its decision in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact Administrator, by mail to Sunshine Ordinance Task Force, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102.4689; by phone at 554.7724; by fax at 554.7854; or by email at [soft@sfgov.org](mailto:soft@sfgov.org). Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Task Force, the San Francisco Public Library and on the City's website at <http://www.sfgov.org>.



**311 Free Language Assistance:** 免費語言協助 / Ayuda gratuita con el idioma / Бесплатная помощь переводчиков / Trợ giúp Thông dịch Miễn phí / Assistance linguistique gratuite / 無料の言語支援 / 무료 언어 / 지원 / ความช่วยเหลือ / ทํางาน "ช่วย" โดยไม่คํ่าสํยคาใจจําย / Libreng tulong para sa wikang Tagalog ยหะลอวี่

**Lobbyist Registration and Reporting Requirements:** Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Campaign & Governmental Conduct Code §2.100] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the San Francisco Ethics Commission at 25 Van Ness Avenue, Suite 220, San Francisco, CA 94102; telephone (415) 252-3100; fax (415) 252-3112; web site at [www.sfgov.org/ethics](http://www.sfgov.org/ethics).

**CEQA Appeal Rights under Chapter 31 of the San Francisco Administrative Code:** If the Commission's action on a project constitutes the Approval Action for that project (as defined in S.F. Administrative Code Chapter 31, as amended, Board of Supervisors Ordinance Number 161-13), then the CEQA determination prepared in support of that Approval Action is thereafter subject to appeal within the time frame specified in S.F. Administrative Code Section 31.16. Typically, an appeal must be filed within 30 calendar days of the Approval Action for a project that has received an exemption or negative declaration pursuant to CEQA. For information on filing an appeal under Chapter 31, contact the Clerk of the Board of Supervisors at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102, or call (415) 554-5184. If the Planning Department's Environmental Review Officer has deemed a project to be exempt from further environmental review, an exemption determination has been prepared and can be obtained on-line at <http://www.sf-planning.org/index.aspx?page=3447>. Under CEQA, in a later court challenge, a litigant may be limited to raising only those issues previously raised at a hearing on the project or in written correspondence delivered to the Board of Supervisors, Planning Commission, Planning Department or San Francisco Public Utilities Commission at, or prior to, such hearing, or as part of the appeal hearing process on the CEQA decision.

## ORDER OF BUSINESS

1. Call to Order
2. Roll Call
3. Motion to accept [Harlan Kelly's resignation](#) as the San Francisco Public Utilities Commission General Manager effective close of business on November 30, 2020 and waive the 45-day advance notice requirement under Section 7 of Mr. Kelly's July 2017 Employment Agreement with the Commission (Gessner)
4. [Approval of the Minutes of November 10, 2020](#)
5. General Public Comment  
*Members of the public may address the Commission on matters that are within the Commission's jurisdiction and are not on today's agenda*
6. Communications (discussion only)
  - a) [Advance Calendar](#)
  - b) [Correspondence Log](#)
  - c) [Alternative Water Supply Planning Quarterly Report](#)
  - d) [Annual Water Resources Division Report](#)
  - e) [Annual Water Supply Development Report](#)
  - f) [Final FY 20-21 and FY 21-22 Budget Update](#)
  - g) [CleanPowerSF Quarterly Report](#)
  - h) [Water Supply Conditions Update](#)
  - i) [Letter to Bay Area Water Supply and Conservation Agency Board](#)
7. Update on San Francisco Public Utilities Commission's Racial Equity Plan Required by the Office of Racial Equity (discussion only) (Carlin)
8. Report of the General Manager (discussion only)
  - a) [Quarterly Audit and Performance Review Report](#)
    - i. [FY 2020-21 Water Enterprise Inventory Count](#)
    - ii. [FY 2019-20 Wastewater Enterprise Inventory Count](#)
    - iii. [FY 2019-20 Hetch Hetchy Water and Power Inventory Count](#) and [Management Response](#)
    - iv. [2019 Green-e Verification Audit](#)
    - v. [San Francisco Public Utilities Commission Proposition 1E Grant Audit](#)
    - vi. [PG&E Interconnection Agreement Audit Termination Letter](#)
    - vii. [Budget & Legislative Analyst Workforce Development Performance Audit](#)
  - b) [Quarterly Budget Status Report](#)
  - c) [Hetch Hetchy Capital Improvement Program Quarterly Report](#)
  - d) Sewer System Improvement Program Quarterly Report
  - e) [Wastewater Enterprise Capital Improvement Program Quarterly Report](#)
  - f) Southeast Area Major Projects Update (1) Biosolids, (2) Headworks, and (3) 1550 Evans Southeast Community Center
  - g) Report on Recent San Francisco Public Utilities Commission Activities, Events and Announcements

9. New Commission Business (discussion only)

**CONSENT CALENDAR**

10. *All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the San Francisco Public Utilities Commission and will be acted upon by a single vote of the Commission. There will be no separate discussion of these items unless a member of the Commission or the public so requests, in which event the matter will be removed from the Calendar and considered as a separate item.*

- a) Approve execution of an [attestation of veracity](#) for the San Francisco Public Utilities Commission's **CleanPowerSF 2019 Power Content Label** (PCL), and submission of the PCL to the California Energy Commission (CEC). CleanPowerSF is required by State law to annually disclose the sources of electricity generation used to serve CleanPowerSF's end-use electric customers through the preparation of the Power Source Disclosure (PSD) Report and PCL. CleanPowerSF's 2019 PSD Report was approved on June 23, 2020 in Commission Resolution No. 20-0132 and submitted to the CEC on June 25, 2020. The PSD Report demonstrated that in 2019 CleanPowerSF's Green product supply was 48.1% Renewable Portfolio Standard (RPS) eligible renewable, and its SuperGreen product supply was 100% RPS-eligible renewable. (Hale)
- b) Approve execution of an [attestation of veracity](#) for **Hetch Hetchy Power's** (HHP's) **2019 Power Content Label** and its submission to the California Energy Commission (CEC). Hetch Hetchy Power is required by State law to annually disclose the sources of electricity generation used to serve its end-use electric customers through the preparation of a Power Source Disclosure (PSD) Report and Power Content Label (PCL). The 2019 PSD Report provided to the CEC shows that the electricity sources used to serve Hetch Hetchy Power's end-use electric customers were 100% greenhouse-gas free and that Hetch Hetchy Power met its compliance obligations under California's Renewable Portfolio Standard (RPS). (Hale)
- c) Approve Amendment No. 3 to [Agreement No. CS-318](#), Equipment and Software Maintenance with Schneider Electric Systems USA, Inc., to provide 24/7 manufacturer emergency technical support for the Oceanside and Southeast Wastewater Treatment Plants Distributed Control Systems software and hardware; and authorize the General Manager to execute this amendment, increasing the agreement amount by \$850,000 and extending the agreement duration by two and a half years, for a total not-to-exceed agreement amount of \$4,771,422, and a total duration of nine years and six months. (Norby)
- d) Approve Amendment No. 2 to [Agreement Nos. PRO.0019.A-D](#), As-Needed Specialized and Technical Services, Water Enterprise, with Brown & Caldwell-GTC, JV (PRO.0019.A), RMC-Lotus, JV (PRO.0019.B), MWH-JHCE, JV (PRO.0019.C), and AECOM-WRE, JV (PRO.0019.D), and authorize the General Manager to execute these amendments, extending each agreement's duration by one year, for a total agreement duration of five years each, with no change to the agreement amounts. (Ritchie)

- e) Approve the selection of Cooper Pugeda Management/CM Pros Joint Venture (CPM/CM Pros JV) and Hazen and Sawyer/Avila and Associates Consulting Engineers, Inc./Dabri, Inc., Joint Venture (Hazen/Avila/Dabri JV); and award [Agreements Nos. PRO.0140A & B](#), Construction Management Services for the East Bay Region, to provide construction management services and staff augmentation to manage multiple overlapping Regional Water Enterprise construction projects; and authorize the General Manager to execute these two professional services agreements with CPM/CM Pros JV (PRO.0140A) and Hazen/Avila/Dabri JV (PRO.0140B), each for an amount not-to-exceed \$9,000,000, and each with a duration of seven years. (How)

## REGULAR CALENDAR

11. Public Hearing: [San Francisco Public Utilities Commission Budget Priorities for Upcoming FY 2021-22](#). Review SFPUC budget priorities for the upcoming FY 2021-22 budget and allow for Commission and public input. Staff will provide information on Charter-required updates to the Commission's 10-year capital and financial plans. (discussion only) (Sandler)
12. Authorize the General Manager to extend through June 30, 2021 (1) the [Temporary Emergency Customer Assistance Program for COVID-19 Relief](#) for single-family residential customers providing a discount of 15% on water, 35% on sewer, and 30% on Hetch Hetchy Power bills, (2) the application deadline for the Small Business and Nonprofit Customer Assistance Program for COVID-19 Relief providing a 20% discount on water and sewer bills, and (3) the temporary suspension of rules governing water/power shutoffs, liens, and fines that is currently scheduled to end January 15, 2021. (Sandler)
13. Approve three [power supply contracts for CleanPowerSF](#) between the San Francisco Public Utilities Commission and Calpine Energy Services, LP (Calpine): (1) retroactively approving an amendment to an existing Resource Adequacy (RA) capacity contract to extend the term of the contract by seven years to 2029, and increasing the contract amount by \$27,000,000 for a total contract amount not-to-exceed \$30,240,000; (2) an amendment to a renewable energy contract to extend the term by seven years to 2029, and increasing the contract amount by \$193,299,120 for a total contract amount not-to-exceed \$242,979,817; and (3) a new RA contract for a term of six years from 2024 to 2029, for a total contract amount not-to-exceed \$59,400,000; and authorize the General Manager to seek approval from the Board of Supervisors for these contracts, including one retroactive approval for the amendment to the existing RA capacity contract. (Hale)
14. Approve one [Resource Adequacy \(RA\) contract](#), executed by the General Manager, for CleanPowerSF to sell RA products to Southern California Edison Company, in an amount not-to-exceed \$1,273,570; and authorize the General Manager to seek retroactive approval from the Board of Supervisors for the RA contract. (Hale)
15. Authorize the General Manager to execute the [First Amendment to the Second Amended and Restated Operating Agreement with the California Independent System Operator](#), establishing the terms and conditions for scheduling the SFPUC's

electrical transmissions, and retroactively extending the Agreement from March 2, 2018 through December 2030 for a total duration of approximately 15.5 years, subject to Board of Supervisors approval under Charter Section 9.118. (Hale)

16. Authorize CleanPowerSF to participate in the [California Public Utilities Commission's Arrearage Management Program](#), which provides qualifying customers with debt forgiveness for past due amounts owed. (Hale)
17. Authorize the General Manager to execute an [Agreement with the California Department of Fish and Wildlife](#) (CDFW) regarding the construction, operation, and maintenance of a permanent water recirculation system at the CDFW-owned and operated Moccasin Fish Hatchery to allow for reduction in SFPUC water deliveries to the Hatchery during shutdowns of the Hetch Hetchy Water and Power system and during droughts, with a duration of 24 months and in an amount not-to-exceed \$2,600,000. (Ritchie)
18. Public comment on matters to be addressed during Closed Session
19. Motion on whether to assert the attorney-client privilege regarding the matters listed below as Conference with Legal Counsel

*The Commission will go into Closed Session to discuss the following items:*

## **CLOSED SESSION**

20. [Existing Litigation](#) (Gessner)  
Conference with Legal Counsel – Pursuant to California Government Code, Section 54956.9(d) (1), and San Francisco Administrative Code, Section 67.10(d)(1)

*Pacific Bell Telephone Company v. City and County of San Francisco, et al.*  
San Francisco Superior Court Case No. CGC-19-581035/Date Filed 11/25/19  
Proposed settlement with City to pay plaintiff \$72,036 and plaintiff to release all claims.

*Following Closed Session, the Commission will reconvene in Open Session*

21. Announcement following Closed Session
22. Motion regarding whether to disclose the discussions during Closed Session pursuant to San Francisco Administrative Code Section 67.12(a)
23. Adjournment

San Francisco Public Utilities Commission  
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