



San Francisco  
Water Power Sewer

Services of the San Francisco Public Utilities Commission

**SAN FRANCISCO PUBLIC UTILITIES  
COMMISSION**

City and County of San Francisco

**London N. Breed**

Mayor

**REGULAR MEETING MINUTES**

**Tuesday, September 13, 2022**

**1:30 PM**

**(Approved September 27, 2022)**

1 Dr. Carlton B. Goodlett Place

City Hall, Room 400

San Francisco, CA 94102

**Commissioners**

Anson Moran, President

Newsha Ajami, Vice President

Sophie Maxwell

Tim Paulson

**Dennis J. Herrera**

General Manager

**Donna Hood**

Secretary



1. Call to Order

*President Moran called the meeting to order at 1:31 PM.*

2. Roll Call

*Present: Moran, Maxwell, and Paulson*

*Vice President (VP) Ajami arrived at 2:05 PM.*

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 22-0149](#))

*No public comment.*

*On Motion to approve item 3:*

*Ayes: Moran, Maxwell, and Paulson*

4. Approval of the Minutes of August 23, 2022

*President Moran noted a correction to closing comments he made under item 7. He stated that written public comments submitted for item 7 were attached to the minutes.*

Public Comment

- *David Pilpel stated that the top of page 6 should read “public comment”.*

*On Motion to approve the Minutes of August 23, 2022:*

*Ayes: Moran, Maxwell, and Paulson*

5. General Public Comment

- *Eileen Boken, Coalition of San Francisco Neighborhoods, discussed the State Lands Commission meeting of August 23 and noted comments she made on behalf of the Coalition during that meeting.*
- *Bill Martin, Bay Area Water Stewards, discussed the Design Drought Workshop, and noted Commissioner Moran’s comments that dialogue is on-going and stated that on-going dialogue fails to address the issues on the Lower Tuolumne River. He discussed scientific studies and the Design Drought.*
- *Judy Irving indicted she regular swims in the Bay and stated the treatment plants discharge too much nitrogen and phosphorus in the Bay, which along with warm water and sunlight, is a good environment for algae blooms. She discussed the effects of the algae blooms on her skin while swimming. She indicated investment needs to be made in wastewater recycling.*
- *Virginia (inaudible) stated there needs to be enough water to keep the Tuolumne River healthy. She stated water conservation isn’t helping drought as the water remains in the reservoir and that the water should be used to benefit the Tuolumne.*
- *Jeff Brown, Peninsula resident, discussed the Design Drought Workshop and stated he was troubled by the SFPUC’s focus on storage as a means of dealing with drought and that there has been no response to requests by NGOs for modeling based on assumptions other than the Design Drought.*

- *Carol (inaudible) expressed thoughts on the 8.5 year Design Drought. She discussed the fish population in the Tuolumne River and requested that the Design Drought be shortened by a minimum of one year.*
- *Stephen Rosenblum, Palo Alto, discussed his conservation efforts . He discussed the SFPUC's workshops and stated there is no substitute for year-round flows of cool water. He asked that the lawsuit be dropped and that minimum flows be supported.*
- *Peter Drekmeier, Policy Director, Tuolumne River Trust, stated that the Design Drought workshops were productive, but that nothing has changed. He stated that new Commissioners will not have the background or have learned from the past workshops. He stated comments made during the last Workshop were discouraging. He discussed evidence he presented at the Workshop.*
- *Kristina Pappas, San Francisco League of Conservation Voters, expressed disappointment with the SFPUC and the workshops. She asked that the Design Drought based on science and that there be investment in technology and water recycling.*
- *Jessie Raider expressed disappointment with the Commissioners comments during the Design Drought Workshop and expressed concerns with the effects of Climate Change which is causing harm to the river and to the environment. She asked that the lawsuit be dropped and the river be protected.*
- *Nate Rangel, California Outdoors, expressed agreement with previous callers. He discussed Federal Energy Regulatory Commission's relicensing of California Rivers. He asked that reasonable, equitable, and rational decisions be made.*
- *John Rosapepe stated he has attended all of the workshops and expressed disappointment at the lack of the Commission's capacity to change, look forward, or accept science.*
- *Shannon McEntee, Santa Clara County, expressed disappointed in the Design Drought Workshop. She stated the Design Drought is arbitrary, conservative, and ignores the Long-Term Vulnerability Assessment and that there is no evidence to support the Voluntary Agreement.*
- *David Pilpel expressed disappointment that President Moran was not reappointed to the Commission He discussed President Moran's long service to the SFPUC.*

*Vice President Ajami joined the meeting at 2:05 PM.*

- *John McMannis, Golden State Salmon Association, stated the SFPUC's lawsuit is intended to undermine the Clean Water Act. He noted the correspondence requesting that the lawsuit be dropped. He stated key communities were excluded from the "involuntary" agreement negotiations. He expressed disappointment that President Moran was not reappointed.*
- *Norma Wallace, Chochenyo Ohlone, stated the Commission is responsible to the voters, although their positions are not elected. She questioned the Land Acknowledgement when by actions, the land is not acknowledged. She stated alternative water supplies and infrastructure should be developed. She questioned the SFPUC's "stewardship".*
- *Margaret (inaudible), resident of unincorporated San Mateo County, discussed the Tuolumne River's place in California's historic and current flow rates on the River*

and the effects on the salmon. She discussed the current level of Hetch Hetchy Reservoir and expressed concern with flooding downstream. She stated water should be released.

- Carol Steinfeld, Sierra Club, Loma Prieta Chapter, state the Voluntary Agreement is an under-informed effort. She noted questions asked at previous workshops and stated staff have not provided response. She asked that the agency carry out fully-informed actions and that the lawsuit be dropped.

## 6. Communications

- a) Advance Calendar
- b) Contract Advertisement Report
- c) Correspondence Log
- d) Alternative Water Supply Program Quarterly Report
- e) Annual Water System Improvement Program Report
- f) 2022 Power Rates Study, Hetch Hetchy Power Transmission Cost of Service
- g) Wholesale Regional Water System Security and Reliability Act 2022 Notice of Changes to the San Francisco Public Utilities Commission Water System Improvement Program
- h) SFPUC Citizens' Advisory Committee (CAC) Resolutions

### Public Comment

- John Rosapepe stated that asking people to provide written comment on the Design Drought Workshop via email was unfair and that not all could be heard.
- David Pilpel spoke to item 6c and expressed appreciation to the Commission Secretary for inclusion of all emails and correspondence received, noting it is a time consuming effort. He addressed item 6h and questioned the SFPUC CAC's jurisdiction to offer recommendations to the Clerk of the Local Agency Formation Commission .
- Peter Drekmeier, Tuolumne River Trust, spoke to item 6d, specifically the graph displaying water needs through obligations and demand, and stated the projections in the Urban Water Management Plan are not projections. He discussed reports provided to the Commission that compare Finance Bureau and Water Enterprise demand projections to actual.

## 7. Report of the General Manager

### a) Drought Conditions Update

Steve Ritchie, AGM Water Enterprise reviewed (1) September 6, 2022 Reservoir Storage: Hetch Hetchy is 83.% of capacity, with water bank at 44.2% capacity; (2) Other California Reservoirs: Shasta, Oroville and Don Pedro Reservoirs are at 35%, 37%, and 54% of capacity, respectively; (3) California Drought Monitor: Depending on location the states is in severe, extreme, or exceptional drought; (4) Hetch Hetchy Precipitation: No change; (5) Upcountry 6-Station Precipitation Index: Year-to-date (YTD) total 23.79 inches; (6) Bay Area 7-Station Precipitation Index: YTD total 23.52 inches; (7) Upcountry Snowpack is gone; (8) Water Available to the City is at 200,000 acre-feet; (9) Tuolumne River Water Available to the City; (10) National Precipitation Forecast: No storm activity anticipated; (10) Total Deliveries: Summer demand has flattened and is below 2019 and 2020

at 201 MGD. He stated the 11% reduction target will most likely not be met; and (11) Drought Tracker: July 1, 2021 to June 30, 2022 had a 6.2% reduction; January 1, 2022 to September 1, 2022 had a 4.9% reduction; and July 1, 2022 to September 1, 2022 had a 10.3% reduction.

AGM Ritchie responded to a question from VP Ajami as to the diversity of the 66 gallon per person, per day reduction on the Peninsula, indicating the number reflects the entire wholesale area. He stated four wholesale customers, Woodside, Atherton, Los Altos Hills, and Hillsboro, have the peak demand due to landscaping and large lots. He stated the bulk of the customers are at the 66 gallons per day level. VP Ajami noted that the amount used by the high users need to be reduced. AGM Ritchie indicated that San Francisco's reduction in use is due, in part, to economic conditions and not solely on conservation. He stated if dry conditions persist into the Winter, messaging needs to change.

Commissioner Maxwell stated that given Climate Change, conservation efforts need to continue. AGM Ritchie concurred, noting those efforts will continue.

#### Public Comment

- Peter Drekmeier, Tuolumne River Trust, questioned why there wasn't a Drought Conditions Update presented at the August 23 meeting. He stated that water available to the City is Tuolumne River water. He referenced a letter he sent to the Commission and discussed staff graphs presented at the workshops. He provided his recommendations.
- Francisco DaCosta stated that the workshop wasn't transparent. He noted Mr. Drekmeier's experience. He discussed the Raker Act and stated that the water was meant for San Francisco, and that the focus should be on San Francisco.

#### b) CleanPowerSF (CPSF) Integrated Resource Plan (IRP) Update

Cheryl Taylor, CPSF Operations Manager, stated that an IRP is an energy planning tool used to support achieving policy goals and meeting regulatory requirements. She indicated that according to State law, every two years CleanPowerSF is required to submit an IRP which evaluates electricity supply and demand and identifies energy resource options that can deliver reliable and cost-effective energy to customers, with the next IRP due November 1, 2022.

Manager Taylor reviewed two IRP portfolios for consideration: (1) Conforming Portfolio: uses inputs and assumptions provide by the California Public Utilities Commission (CPUC); accounts for statewide goals and targets; and has minimal flexibility to incorporate local electrification goals and targets; and (2) Alternative Portfolio: uses inputs and assumptions determined by CPSF; accounts for local goals and targets (transportation electrification, and building decarbonization); and provides flexibility to incorporate community preferences. She indicated the "Conforming Portfolio" is desired and stated that staff will return to the Commission in October for approval.

She provided a recap of Phase I Community Engagement, which occurred June to July 2022. She indicated a digital survey was launched during the engagement

period, with 68 responses received and of those, 92.1% identified as a CPSF customer. She stated two virtual community workshops were hosted in June, with participation from 15 different organizations. She reviewed priorities heard from the workshop engagement: (1) reliability of sources, especially resiliency in natural disasters; (2) more local renewable resources; (3) affordability of rates to ensure cost does not become a barrier for clean energy access; (4) emissions reduction/environmental sustainability of sources; (5) electrification and decarbonization to meet climate goals; and (6) battery storage technology.

Ms. Taylor discussed next steps related to the second phase of outreach, which will occur through October 2022 with the goal of soliciting community feedback on the IRP modeling results which will help to inform a staff recommended preferred portfolio. Notice will be provided to more than 600 community organizations in addition to Phase I survey respondents and workshop attendees.

She reviewed four portfolio scenarios, with two in Conforming, and two in Alternative: (1) Conforming – current CleanPowerSF Supply Portfolio goals; and CleanPowerSF Goals and ~ 95% Time Coincidence by 2030; and (2) Alternative – CleanPowerSF Goals and Mayor’s EV and Building Electrification Targets Met; and CleanPowerSF Goals and Local Resource Procurement. She noted consultants are being modeled and results will be posted. She stated both portfolios share a baseline group of renewable energy resources totaling over 800 MW of capacity.

Ms. Taylor continued (1) Preliminary results of the Base Case Portfolio (energy supply by resource type (2035)); (2) Base case portfolio costs compared to 10-Year Financial Plan supply costs (2023-2032), with emphasis that these are estimates based on initial model results; (3) Portfolio evaluation – affordable and reliable service, cleaner electricity alternatives, investment in renewable projects and local jobs, and long-term rate and financial stability; and (4) Schedule through 2022.

Manager Taylor responded to questions from Commissioner Maxwell as to where rooftop solar falls and if staff looking at decentralizing power, indicating this is a “distributive energy resource” behind the meter. Mike Hyams, Deputy AGM, CleanPowerSF, concurred with Ms. Taylor and discussed demand, and demand projections. Brief discussion ensued.

Deputy AGM Hyams responded to a question from VP Ajami as to whether consideration has been given to leasing roofs for the installation of rooftop solar on public, commercial, and residential properties, stating that thought has been given to different models but that no deep consideration has been given to install SFPC assets on third party roofs, which is complex and has high risk. Brief discussion ensued.

Commissioner Paulson requested information on outreach and for the list of invitees, attendees, and any input/feedback. Ms. Taylor discussed the virtual

workshops and stated more will be scheduled, and Peter Gallotta, SFPUC Communications Manager for Power, indicated that more than 600 community-based organizations, representing a cross-section of San Francisco, were invited. He stated information as requested would be provided.

President Moran stated that Alternate Water supply program has pilots for “cutting edge” programs and that a similar pilot program might be considered for this program.

#### Public Comment

- David Pilpel thanked staff for their work. He stated that his input on the issue has been heard and that he looks forward to providing additional input.

#### c) Hetch Hetchy Capital Improvement Program (HCIP) Quarterly Report

Commissioner Maxwell departed the room at 3:03 PM and returned at 3:07 PM.

Katie Miller, Director Water Capital Programs, reviewed the HCIP program status as of June 2022, noting expenditures of \$175 million, with the HCIP 29% complete. Director Miller reviewed (1) HCIP cost summary, noting (\$46 million) for the overall HCIP; and (2) HCIP projects.

Director Miller provided status updates for the following projects (1) Mountain Tunnel Improvements; (2) Moccasin Powerhouse and Generator Step-Up Transformer Rehabilitation; (3) San Joaquin Pipelines Valve and Safety Improvement; and (5) Transmission Lines 7/8 Upgrades.

No public comment.

Commissioner Paulson requested that a tour be scheduled.

#### d) Wastewater Enterprise Quarterly Report including Southeast Area Major Projects (1) Biosolids, (2) Headworks, and (3) 1550 Southeast Evans Community Center Stephen Robinson, AGM Infrastructure, began with construction updates for the Mariposa Dry-Weather Pump Station and Force Main Improvements, Oceanside Digester Gas Utilization Upgrade, and Wawona Area Stormwater Improvement Project.

He reviewed the Sewer System Improvement Program (SSIP) Phase I status stating as of March 2022, the project count by phase is 49% complete with \$2,973 million expended. He reviewed the SSIP status cost summary and the facilities and infrastructure cost summary, noting an overall \$12.95 million cost variance. He provided capital program milestones indicating nine projects have been initiated, two projects have completed conceptual engineering reports, and one project has achieved 95% design.

AGM Robinson provided the following progress and status updates (1) North

Shore Pump Station Wet Weather Improvements: Achieved 95% design; (2) Southeast Plant Digester Facilities Project: Project cost increased from \$1,681 million to \$2,373 million; (3) Southeast Plant New Headworks Facilities Project: Project cost increased from \$619 million to \$679 million; and (4) Southeast Community Center 1550 Evans: Project cost increased from \$114 million to \$115 million.

In response to a question from Commissioner Maxwell as to at what phase could a demonstration project be implemented to address algae blooms, AGM Robinson indicated that biosolids are at the back end of the treatment process (dealing with solid waste) and the concern is with discharge of effluent into the bay that contain nutrients to feed the algae. He stated an additional treatment process could be considered on the “wet side”, but noted there are physical and financial, constraints and regulatory and community considerations. He stated a team is working on the issue.

AGM Robinson responded to a question from VP Ajami Newsha as to whether costs are cumulative, stating that the costs show the variances since the last budgeting (baseline) process, with a column added to reflect variances since the last reporting period. Discussion ensued on possible reasons for cost increases.

Commissioner Maxwell discussed a San Francisco Chronicle story discussing the City of San Jose’s putting less nitrogen into their effluent and doing so with their current infrastructure and questioned why the SFPUC can’t do the same. AGM Robinson noted the science, chemistry and engineering involved, and indicated that every plant and water source and discharge location is different, and that the team is looking at all options.

Commissioner Pauson thanked staff for their work to address cost issues.

VP Ajami concurred with comments made by Commissioner Maxwell regarding the need to address algae blooms.

No public comment.

- e) Report on the Memorandum of Understanding Advancing a Term Sheet for the Voluntary Agreements to Update and Implement the Bay-Delta Water Quality Control Plan

GM Herrera stated that progress has been made with the State and that he is awaiting documents to memorialize that progress.

#### Public Comment

- Peter Drekmeier, Tuolumne River Trust, discussed the Voluntary Agreement and meetings which began eight years ago. He discussed the National Marine Fisheries Service Peer Review. He said science does not support the Voluntary Agreement.



- Molly Colton, Sierra Club California, discussed the reentry of negotiations between the SFPUC, the Modesto and Turlock Irrigation Districts, and the State regarding the Voluntary Agreement. She expressed concerns with the process and framework. She requested that the SFPUC drop participation in discussions.

*VP Ajami stated that whatever agreement is put into place needs to have stopgaps and monitoring progress in place to meet goals and objectives.*

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

8. New Commission Business

*Commissioner Maxwell requested a status report regarding what is being done to address algae blooms.*

*No public comment.*

9. CONSENT CALENDAR

- a) Approve execution of an attestation of veracity for CleanPowerSF's 2021 Power Source Disclosure Reports and Power Content Label; approve submission of the 2021 Power Source Disclosure Reports to the California Energy Commission; and approve provision of the Power Content Label to all customers by October 1, 2022. ([Resolution 22-0150](#))
- b) Approve execution of an attestation of veracity for Hetch Hetchy Power's 2021 Power Source Disclosure Reports and Power Content Label; and approve submission of the Power Source Disclosure Reports to the California Energy Commission; and approve provision of the Power Content Label to all customers before October 1, 2022. ([Resolution 22-0151](#))
- c) Approve Amendment No. 2 to Contract No. CS-388, River Ecosystem Science Support Services, with McBain Associates, increasing the Contract amount by \$400,000 in order to finalize technical documents and support environmental review of revised recommendations for instream flow releases from O'Shaughnessy Dam for compliance with United States Department of the Interior requirements, for a revised not-to-exceed Contract amount of \$2,600,000 with no change to the Contract duration; and authorize the General Manager to execute Amendment No. 2. ([Resolution 22-0152](#))
- d) Approve an increase of 267 calendar days to the contract duration contingency for Contract No. WD-2819, As-Needed Water Main Replacement at Various Locations, No. 2, with Hernandez Engineering; and authorize the General Manager to approve future modifications to the contract for a total contract duration of up to 1,825 consecutive calendar days, with no change to the contract amount. ([Resolution 22-0153](#))

- e) Approve an increase of \$2,600,000 to the contract cost contingency, and an increase of 252 calendar days to the contract duration contingency for Contract No. WD-2825R, Alameda Creek Recapture Project; and authorize the General Manager to approve future modifications to the contract for a total contract amount of up to \$24,062,650 and a total contract duration of up to 853 consecutive calendar days. ([Resolution 22-0154](#))
- f) Approve the plans and specifications and award Contract No. WW-669, Oceanside Water Pollution Control Plant Building 011 Grit Classifier and Primary Influent Slide Gate System Improvements, in the amount of \$9,160,000, and with a duration of 990 consecutive calendar days, to the responsible bidder that submitted the lowest responsive bid, Trinet Construction, Inc. ([Resolution 22-0155](#))
- g) Approve the terms and conditions of a Facilities Easement Deed encumbering portions of Block 3725, Lot 127, located at 432-440 Natoma Street in San Francisco; and recommend that the City's Director of Property accept and execute the Certificate of Acceptance for the Facility Easement Deed. ([Resolution 22-0156](#))

#### Public Comment

- *David Pilpel requested that all items, not just those associated with Infrastructure projects, include site maps and photos.*
- *Peter Drekmeier, Tuolumne River Trust, spoke to item 9c and discussed his concern with increasing the contract by four years.*

*On Motion to approve Consent Calendar items 10a through 9g:  
Ayes: Moran, Ajami, Maxwell, and Paulson*

10. Authorize the General Manager to take the following actions for COVID-19 relief, extend for a fourth time, through June 30, 2023: (1) the temporary suspension of the discontinuation or shutoff of water service for residential retail customers for non-payment of water and/or sewer bills, (2) the temporary suspension of discontinuation or shutoff of power service for residential Hetch Hetchy Power Customers in San Francisco for non-payment of power bills, and (3) the temporary suspension of the return of delinquent residential CleanPowerSF customers to PG&E generation service for failure to pay CleanPowerSF charges; and grant discretion to the General Manager to approve collections and liens to multifamily account holders with unpaid bills exceeding \$25,000 which are 90 days or more past due. ([Resolution 22-0157](#))

*Michael Perlstein, Special Projects Manager, began with a discussion regarding affordability and access, noting the work is an agency-wide effort. He thanked all staff involved. He indicated that approval of this item will extend the moratorium on shutoffs and liens to July 1, 2023 for residential water, wastewater, Hetch Hetchy and CleanPowerSF customers. Commercial water and wastewater customers restarted on July 1, 2022, with commercial power customers resuming in the fall. Approval will also allow the GM discretion for collections on multifamily accounts with greater than \$25,000, 90+ days past due (40% of residential arrears).*

*He stated key reasons for the extension are to allow (1) additional state debt relief opportunities (California Arrearage Payment Program 2.0, and Low-Income Household Water Assistance Program); (2) time to develop and implement shutoff and lien avoidance policies; and (3) time to design and launch a robust communications and outreach campaign.*

*Mr. Perlstein discussed (1) Water/Wastewater arrears greater than 90 days, excluding large multi-family accounts (\$4.3 million), indicating as of July 2022 arrears are \$6.4 million (includes \$16.6 million state relief). Estimated by July 2023, with consistent growth, to be \$10.9 million; and (2) External arrearage relief – Low-Income Household Water Arrearage Program, with \$2,115,000 currently allotted to San Francisco, with possible growth due to recent state budget allocation*

*He noted that before the moratorium expires, staff will bring the Commission proposed policies in three areas: (1) Avoidance of shutoffs and liens for lower income households; (2) Affordability programming and assistance to slow arrearage growth; and (3) Assessment of collections processes and customer communications engagement.*

*He concluded with a review of the moratorium expiration proposed timeline.*

#### Public Comment

- *David Pilpel stated that Customer Service staff need to return to 8am to 5pm service and that an on-line payment receipt is needed. He proposed minor edits to the resolution on pages three and four.*

*On Motion to approve item 10:*

*Ayes: Moran, Ajami, Maxwell, and Paulson*

11. Public hearing on the 2022 Public Health Goal Report for the San Francisco Water System to address any public comments received; and direct the Water Quality Division Director to submit a letter to the State Water Resources Control Board documenting that such a hearing has been held. ([Resolution 22-0158](#))

*Andrew DeGraca, Division Director, Water Quality Division, began with a discussion of the Public Health Goals (PHG) evaluation noting the State mandate for triennial evaluation. He stated that there is no existing regulatory guidance on the PHG Report and that ACWA developed guidelines to help utilities.*

*Director DeGraca presented (1) Maximum Contaminant Level (MCL) vs. Operational Target vs. PHG (Lower); (2) 2022 PHG Report summary, stating all 2019-21 results are below MCL's, and three containments are above PHG or MCLG. He reviewed levels for Bromate, total Coliform Bacteria, and Lead, and reviewed the SFPUC's best practices for each; (3) Optimizing corrosion control and monitoring (optimized corrosion control treatment, and comprehensive lead sampling program); (4) SFPUC's efforts on reducing Lead (lead component replacement, and public outreach and education); (5) Lead user Service Line; and (6) PHG Report response actions to*

*continue existing control and monitoring programs as well as additional lead reducing activities.*

*In response to questions from VP Ajami, Director DeGraca stated that the monitoring programs are on-going, and if the federal funds can be used for behind-the-meter as well. Brief discussion ensued.*

*Mr. DeGraca responded to a question from Commissioner Paulson regarding the use of plastic piping versus other materials.*

*He responded to a question from Commissioner Maxwell regarding the timetable for completing work with the schools, noting all schools have been completed and a second round will begin; and to a question from Commissioner Paulson as to coordination with schools.*

*Director DeGraca responded to question from VP Ajami as to whether there are any pipe replacement requirements for residential property remodels.*

#### Public Comment

- *Francisco DaCosta discussed biomonitoring which is being conducted in Bayview Hunters Point and stated he will ask that results of their work be provided to the SFPUC. He discussed the SFPUC Community Benefits Program.*

*On Motion to approve item 11:*

*Ayes: Moran, Ajami, Maxwell, and Paulson*

12. Adopt a Declaration of Surplus Property and Exempt Surplus Property pursuant to the Charter and the California Surplus Land Act; Recommend to the Board of Supervisors the sale of approximately 17,832 square feet of unimproved land in fee and approximately 17,733 square feet of easement areas located in the City of Fremont and in unincorporated areas of Alameda County; and authorize the General Manager to execute, upon approval from the Board of Supervisors and Mayor, an agreement for sale of real estate, temporary construction easement and utility easement. ([Resolution 22-0159](#))

*Tony Bardo, SFPUC Real Estate Division, introduced the item and indicated it will allow Caltrans to upgrade parts of Niles Canyon Road to expressway standards. He indicated fair market appraisal price was offered.*

*No public comment.*

*On Motion to approve item 12:*

*Ayes: Moran, Ajami, Maxwell, and Paulson*

13. Approve the terms and conditions of and authorize the General Manager to execute a Soil Fill Agreement allowing Google LLC to perform work within an easement granted to the City, through the San Francisco Public Utilities Commission, within property

acquired by Google and located at 1400-1450 Bayhill Drive in San Bruno, California, in return for a \$190,000 Payment by Google LLC; and approve the terms and conditions of and authorize the General Manager to execute an Easement Amendment allowing Google to perform additional work in the Easement area. ([Resolution 22-0160](#))

*Rosanna Russell, SFPUC Real Estate Director, discussed the property easement and the request by Google to use the easement to install non-permanent improvements, which are not allowed by existing easement, and to add several feet of soil fill to the easement right-of-way, which could make it difficult for the SFPUC to access the pipes without shoring, for which Google has agree to pay \$190,000.*

*Commissioner Paulson questioned how the \$190,000 amount was determined and if that amount is adequate in the long-term. Director Russell noted the SFPUC is not the property owner, but rather holds an easement, and that the easement agreement allows the SFPUC access to the pipelines.*

*VP Ajami asked how much it would cost to address issues with the pipe and questioned if the access issue can be covered by \$190,000. Angela Cheung, Division Manager Water Supply and Treatment, stated staff determined a conservative estimate for shoring in the event the pipes need to be accessed 20 times over their lifetime. Brief discussion ensued on shoring and anticipated future costs for work that may need to be performed.*

#### Public Comment

- *David Pilpel proposed two amendments to the resolution to the third “Further Resolved Clause”. He stated that Google should cover all staff costs, not just the estimated \$190K.*
- *Francisco DaCosta stated the SFPUC is more interested in the money. He discussed the force main at Islas Creek.*

*On Motion to approve item 13:*

*Ayes: Moran, Ajami, Maxwell, and Paulson*

14. Approve Amendment No. 6 to Contract No. CS-879.C, Engineering Project Design Services, with Kennedy/Jenks Consultants, extending the contract duration by four years and two months, to continue engineering design and engineering services during construction and closeout for both the Regional Groundwater Storage and Recovery Project and the San Francisco Groundwater Supply Project, for a total contract duration of 19 years and two months, with no change to the contract amount and authorize the General Manager to execute Amendment No. 6. ([Resolution 22-0161](#))

*Tracy Cael, Project Manager, provided a background summary of the project and reviewed current locations of regional groundwater wells and treatment facilities, along with San Francisco’s groundwater supply wells. She discussed the services to be provided by the consultant under the proposed extension, indicating they will continue providing specialized engineering services in support of design, construction, closeout and operation of the Reginal Groundwater Storage (RGSR) and Recovery and the San*

*Francisco Groundwater Supply Well (SFGW) projects for RGSR Phase 1, 2A, and 2B, and SFGW Phase 2.*

*No public comment.*

*On Motion to approve item 14:*

*Ayes: Moran, Ajami, Maxwell, and Paulson*

15. Rescind Resolution No. 22-0039 and approve the General Manager's determination to terminate for the City's convenience Professional Design Services Agreement No. PRO.0232, New CDD Campus at 2000 Marin, with Mark Cavagnero Associates. (Resolution 22-0162)

*Shelby Campbell, Project Manager, reviewed a map of the new CDD campus at 2000 Marin and provided a timeline, indicating that PRO.0232 was advertised on September 17, 2021 and was awarded by the Commission on February 22, 2022. She stated four responsive proposals were received, with only one deemed responsive. She indicated there were problems with the overhead and profit schedule worksheets, and that a conflict of interest with a lead sub-consultant discovered post-award.*

*She stated staff recommends that the Request for Proposal (RFP) be reissued so complications with the overhead and profit schedule can be addressed, and that robust outreach efforts can be conducted to increase the number of proposals received.*

*She requested that the Commission rescind Resolution 22-0039 (award Agreement PRO.0232) and terminate Agreement PRO.0232 with Mark Cavagnero Associates.*

*No public comment.*

*On Motion to approve item 15:*

*Ayes: Moran, Ajami, Maxwell, and Paulson*

16. Approve the plans and specifications, and award Contract No. WW-543, Southeast Water Pollution Control Plant HVAC and Mechanical Upgrades, in the amount of \$12,947,014, and with a duration of 990 consecutive calendar days, to the responsible bidder that submitted the lowest responsive bid, Cal State Constructors, Inc. to rehabilitate and upgrade the aging heating, ventilation, and air-conditioning and mechanical equipment throughout buildings at the Southeast Water Pollution Control Plant. 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 22-0163)

*Daniel Alvarado, Project Manager, introduced the item and noted the scope of work, and requested approval.*

*No public comment.*

*On Motion to approve item 16:  
Ayes: Moran, Ajami, Maxwell, and Paulson*

17. Public comment on the matter to be addressed during Closed Session.  
*None.*

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

*On Motion to assert the attorney-client privilege regarding the matters listed below as Conference with Legal Counsel:*

*Ayes: Moran, Ajami, Maxwell, and Paulson*

*The Commission entered Closed Session at 5:07 PM.*

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

## **CLOSED SESSION**

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

*John LaSalle v. City and County of San Francisco, et al.*

San Francisco Superior Court No. CGC-21-589176/Date Filed: January 21, 2021

Proposed settlement of a personal injury claim in the amount of \$489,000. Action to approve settlement subject to final approval by the Board of Supervisors.

(Resolution 22-0151)

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

*Onjanette Hudson and City and County of San Francisco (San Francisco Public Utilities Commission). EEO Complaint of Discrimination / Government Claim #22-00905/ Date Filed: December 22, 2021*

Proposed settlement of a EEO Complaint of Discrimination claim in the amount of \$275,000. Action to approve settlement subject to final approval by the Board of Supervisors.

(Resolution 22-0152)

*The Commission exited Closed Session at 5:25 PM.*

21. Announcement following Closed Session  
*President Moran announced that the Commission recommends the Board of*

*Supervisors approve the settlements for items 19 and 20.*

22. 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: Moran, Ajami, Maxwell, and Paulson*

23. Adjournment

*President Moran adjourned the meeting at 5:26PM.*



San Francisco Public Utilities Commission  
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San Francisco, CA 94102