



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

**Minutes**

**Tuesday, October 9, 2018**

**1:30 P.M.**

**(Approved October 23, 2018)**

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

**Commissioners**

Vince Courtney, President

Ann Moller Caen, Vice President

Francesca Vietor

Anson Moran

Ike Kwon

**Harlan L. Kelly, Jr.**

General Manager

**Donna Hood**

Secretary



For information, contact the Commission Secretary at 415-554-3165  
Minutes and other information are available on the SFPUC web site:

[www.sfwater.org](http://www.sfwater.org)

Gavel-to-Gavel coverage available at:

[http://sanfrancisco.granicus.com/ViewPublisher.php?view\\_id=22](http://sanfrancisco.granicus.com/ViewPublisher.php?view_id=22)

1. Call to Order  
*President Kwon called the meeting to order at 1:32 PM.*
2. Roll Call  
*Present: Kwon, Courtney, Caen, and Moran*  
*Commissioner Vietor arrived at 1:34 PM.*
3. Election of Officers: As per the San Francisco Public Utilities Commission Rules of Order, Rule No. 6, discussion and possible action to elect a new President and Vice President of the Commission, each to serve a one-year term.

*Commissioner Moran nominated Commissioner Courtney as Commission President. Nomination accepted.*

*On Motion to elect Commissioner Courtney as Commission President:*  
*Aye: Courtney, Caen, Moran and Kwon*

*No public comment.*

*Commissioner Vietor arrived at 1:34 PM.*

*Commissioner Moran nominated Commissioner Caen as Commission Vice President. Nomination accepted.*

*On Motion to elect Commissioner Caen as Vice President.*  
*Aye: Courtney, Caen, Vietor, Moran and Kwon*

*No public comment.*

4. Approval of the Minutes of September 25, 2018  
*On Motion to approve the Minutes of September 25, 2018:*  
*Aye: Courtney, Caen, Vietor, Moran and Kwon*

5. General Public Comment

- *Francisco DaCosta congratulated Commissioner Kwon for his work as President and Commissioner Courtney for his appointment as President. He addressed the critical nature of water and drought conditions in the world. He discussed the Raker Act and the high quality of Hetch Hetchy water.*
- *Drew Lehman discussed the recent Water Environment Federation Technical Exhibit and Conference (WEFTEC). He praised the SFPUC for their workforce development programs and opportunities.*

*Commissioner Vietor thanked Mr. Lehman for the roundtable he organized at WEFTEC. Commissioner Vietor stated she was impressed with the Emerging Water Scholars Program participants she met at WEFTEC.*

6. Communications
  - a) Advance Calendar

- b) Correspondence Log
- c) Contract Advertisement Report
- d) Water Supply Conditions Update

*No public comment.*

6. Other Commission Business

*Vince Courtney discussed the need to commit to workforce development throughout the public sector and at the SFPUC.*

Public Comment

- *Drew Lehman discussed the Emerging Water Scholars Program.*
- *Francisco DaCosta discussed workforce upward mobility and the need for living wages and good quality of life.*

7. Report of the General Manager (GM)

a) CleanPowerSF Update

*Barbara Hale, Assistant General Manager (AGM) Power, provided the update: (1) Enrollment and Service to Customers: Currently serving 108,000 accounts; 3.1% opt-out rate; 3.5% SuperGreen upgrade rate. She provided response to Commissioner Vietor's question from the October 9, 2018 meeting as to how large customers are counted. She indicated customers are counted via "service point" as identified in the PG&E system. Customers with multiple service locations, such as the Academy of Art, are counted more than once and could select to enroll in different programs at each location. She discussed the greenhouse gas impact of varying enrollment categories and how that is tracked; (2) Regulatory: AGM Hale stated the California PUC (CPUC) determine She noted two propose decisions have been made: the Judge's decision, and decision by the Commissioner assigned to lead the proceeding ("alternate"). s methodology as to how the Exit Fee (PCIA) is calculated. She stated revisions have been made to the alternate decision and that revisions to the Judge's decision are anticipated. She noted there is no opportunity for comments to be filed and meetings with CPUC staff to obtain clarification on the revisions are not allowed.*

*No public comment.*

b) Bay Delta Water Quality Control Plan (WQCP) Update

*Steve Ritchie, AGM Water, provided the update: (1) How could the water supply shortfall created by the WQCP be made-up; (2) What are "realistic" alternative supplies: Active plans that could produce 50 MGD in 10 to 30 years; Various supply options; Near-term possibilities (within 10 years/8 mgd); Medium-term possibilities (within 1-15 years/8-19 mgd); and Long-term possibilities (within 15-30 years/12-23mgd). If all proposed projects are implemented, retail water rate increases approximately 8-17% higher than those planned under the status quo, with increases happening over a 15-year period. For the average single family residential customer, monthly water bills will be \$9-20 higher by the end of the 15-year period.*

*AGM Ritchie responded to a question from Commissioner Vietor as to whether the rate increases include additional financing; and a question as to how the projects were determined.*

*At the request of Commissioner Vietor, AGM Ritchie provided next steps as to the WQCP process and provided brief comments on water transfers and water banking.*

*AGM Ritchie responded to Commissioner Moran's request for clarification regarding actions that will be needed if the WQCP is adopted. Brief discussion ensued.*

*AGM Ritchie continued with a review of requests made in the Non-Governmental Organization (NGO) September 24, 2018 letter, noting a follow-up meeting has been scheduled with NGO representatives to discuss. Discussion ensued.*

#### Public Comment

- *Francisco DaCosta discussed the First People and the Raker Act. He stated the first duty is to San Francisco's water needs and that due diligence is needed.*

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

*AGM Ritchie updated the Commission regarding water quality concerns that were expressed in the Sunset District. He stated water quality testing is being conducted. He indicated staff is meeting with the homeowner who expressed concern to determine what home test kit was used and what water source was tested. He stated additional SFPUC testing is being conducted throughout the district, with the results to be publicly released when available, followed by community meetings. He stated any water quality issues or concerns should be reported to 311. He indicated that water is safe to drink with no evidence of contamination.*

*Commissioner Caen suggested a press release be issued regarding groundwater, stating that is the concern that has been expressed to her.*

*AGM Ritchie expressed concerns that the testing was done with a home kit which showed the presence of pesticides that have never been shown in SFPUC's water quality testing.*

*In response to a question from Commissioner Vietor, AGM Ritchie stated the SFPUC water quality tests will be looking for those pesticides shown in the home testing kit, as well as other possible water quality issues. President Courtney thanked Mr. Ritchie for his work. He noted the amount of social media and media attention to the matter and asked that action be taken quickly.*

*Commissioner Moran noted the Chronicle article on the nature of the issue and the list of actions being taken.*

*GM Kelly noted there is very little groundwater in the system.*

*No public comment.*

8. Consent Calendar:

- a) Accept work performed by Netronix Integration, Inc., for Contract No. WD-2661, As-Needed Integration Services; approve Modification No. 5 (Final), decreasing the contract amount by \$341,403 for a total contract amount of \$1,560,792, and extending the contract duration by 41 consecutive calendar days, for a total contract duration of 1,681 consecutive calendar days; and authorize final payment to the contractor. ([Resolution 18-0162](#))
- b) Accept work performed by Mitchell Engineering, Inc., for Contract No. WD-2817, Peninsula Pipeline Seismic Upgrade – Phase III for a total contract amount of \$7,378,428, and with a total contract duration of 488 consecutive calendar days; and authorize final payment to the contractor. ([Resolution 18-0163](#))
- c) Approve an increase of 215 consecutive calendar days to the existing 60-day construction contract duration contingency for Contract No. WW-651, Griffith Pump Station Improvements; and authorize the General Manager to approve future modifications to the contract, for a total revised contract duration of up to 875 consecutive calendar days, with no change to the contract cost contingency. ([Resolution 18-0164](#))

*On Motion to approve Consent Calendar items 8a through 8c:*

*Aye: Courtney, Caen, Vietor, Moran and Kwon*

*No public comment.*

9. Approve Amendment No. 5 to Agreement No. CS-879.C, Engineering Project Design Services, with Kennedy/Jenks Consultants, for continued engineering design and engineering services during construction for the Regional Groundwater Storage and Recovery Project and the San Francisco Groundwater Supply Project; and authorize the General Manager to execute this amendment, increasing the agreement by \$3,500,000, for a total not-to-exceed agreement amount of \$22,000,000, and extending the contract duration by three years, for a total agreement duration of 15 years, subject to the Board of Supervisors approval pursuant to Charter Section 9.118. ([Resolution 18-0165](#))

*On Motion to approve Item 9:*

*Aye: Courtney, Caen, Vietor, Moran and Kwon*

*No public comment.*

10. Award Job Order Contract No. JOC-76R, General Engineering (A- License) for San Francisco, San Mateo, Santa Clara, and Alameda Counties, for a not-to-exceed amount of \$5,000,000, with a minimum guaranteed amount of \$50,000 and a duration of two years, to the sole, qualified, responsible, and responsive bidder, Anvil Builders, Inc., to perform general engineering construction tasks for all San Francisco Public Utilities Commission Enterprise Operations and Bureaus. ([Resolution 18-0166](#))

*On Motion to approve Item 10:*

*Aye: Courtney, Caen, Vietor, Moran and Kwon*

*No public comment.*

11. Award Job Order Contract No. JOC-77, General Engineering (A- License) for San Francisco, San Mateo, Santa Clara and Alameda Counties, for a total contract amount not-to-exceed \$2,000,000, with a minimum guaranteed amount of \$50,000 and a duration of two years, to the sole, qualified, responsible, and responsive bidder, R&S Construction Management, Inc., to perform general engineering construction tasks for all San Francisco Public Utilities Commission (SFPUC) Enterprise Operations and Bureaus. ([Resolution 18-0167](#))

*On Motion to approve Item 11:*

*Aye: Courtney, Caen, Vietor, Moran and Kwon*

*No public comment.*

12. Approve the terms and conditions of, and authorize the General Manager to execute a five-year lease, with a three-year option to extend the term, with 1800 Jerrold Ave LLC, as landlord, providing for the San Francisco Public Utilities Commission Water Enterprise City Distribution Division's use of vacant land at 1876 Oakdale Avenue in San Francisco for storage of soil, material, and related uses, at an initial monthly rent of \$15,800, with annual rent increases based on the Consumer Price Index. ([Resolution 18-0168](#))

*On Motion to approve Item 12:*

*Aye: Courtney, Caen, Vietor, Moran and Kwon*

*No public comment.*

13. Other New Business

*President Courtney asked for the Commission's consideration of the following: (1) Commissioner's request for items to be placed on a subsequent agenda should be done during items 6 or 13; (2) President Courtney made a request for a standing workforce development update to be placed under either the GM Report or as a stand-alone item, to be determined in consultation with the GM, depending on the specific topic to be discussed. He provided the following as potential topics for presentation: New employee orientation; Report from San Francisco Department of Human Resources regarding "Apprentice SF"; Mayor's*

*Office of Workforce Development presentation; SFPUC staff report regarding use of pre-apprentices at the Wastewater Division; Land Management planning, with respect to workforce development; Community Benefits, with respect to Request for Proposals process; and Non-profits with respect to workforce development and connection to policy objectives (scope, classification, wages, hours, working conditions); and finalizing the Workforce Development Policy.*

*GM Kelly indicated he would like to discuss the Workforce Development Policy first to determine how the other noted issues fit into the policy. Brief discussion ensued.*

*President Courtney spoke about the Recreation and Park Department "Contingency Fund" (Open Space Fund), a Commission maintained fund. He expressed interest in exploring a similar SFPUC contingency fund.*

*President Courtney applauded the Golden Pride Event and stated a date for next year's event needs to be determined.*

*President Courtney Vince requested that the Commission Secretary maintain a calendar of events that the Commission can access to obtain general event and meeting information, etc.*

*Commissioner Kwon expressed a desire to learn more about expenditures made via the Open Space Fund. Francesca Gessner, Deputy City Attorney, note the Open Space Fund is a Charter mandate, created as result of a ballot measure, and that a similar SFPUC fund would need voter approval. GM Kelly stated there are other ways that priorities can be budgeted.*

*No public comment.*

14. Adjournment

*President Courtney adjourned the meeting at 3:01 PM.*