



SAN FRANCISCO PUBLIC UTILITIES COMMISSION
City and County of San Francisco

London N. Breed
Mayor



REGULAR MEETING AGENDA
Tuesday, February 14, 2023
1:30 PM

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

This meeting will be held in person at the location listed above. As authorized by California Government Code Section 54953(e) and Mayor Breed's 45th Supplement to her February 25, 2020 emergency proclamation, it is possible that some members of the San Francisco Public Utilities Commission may attend this meeting remotely. In that event, those members will participate and vote by video. Members of the public may attend the meeting to observe and provide public comment at the physical meeting location listed above or may **watch live online** at <https://www.sfgovtv.org/sfpuc>. Instructions for providing remote public comment are below:

PUBLIC COMMENT CALL-IN:
1 (415) 655-0001 / MEETING ID: 2490 132 1868 # #

Ensure you are in a quiet location
Speak clearly and turn off background sounds (television, phones, radios)
Wait for the item you would like to address to be called. When prompted, press *3 to be added to the queue
The system will notify you when you are in line

Commissioners

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

Dennis J. Herrera
General Manager

Donna Hood
Secretary

Accessible Meeting Policy: To obtain meeting materials in alternative format, please contact the Commission Secretary at 415-554-3165 or via email at 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 the [Commission website](#).

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 sof@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 ฟรี “โดยไม่ว່ส” ยคำไขจ ้าย / Libreng tulong para sa wikang Tagalog ยเหลือี

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.

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. 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.
4. Approval of the Minutes of the [January 24, 2023](#) Regular Meeting and the [January 30, 2023](#) Special Budget Hearing
5. Report of the General Manager (discussion only)
 - a) [Drought Conditions Update](#)
 - b) [Commissioner Bond Disclosure Responsibility Training](#)
 - c) Report on Recent San Francisco Public Utilities Commission Activities, Events and Announcements

6. CONSENT CALENDAR

- a) Approve Amendment No. 1 to [Contract No. PRO.0144](#), Capital Project Control Systems Integration and Support Services, with Westland Management Solutions, Inc., to provide continued specialized support services utilizing Primavera-based Program Control system administration and integration tools for San Francisco Public Utilities Commission capital improvement programs and projects, increasing the agreement by \$3,250,000, and extending duration by three years, for a total not-to-exceed amount of \$8,000,000 and a total duration of eight years. (Robinson)
- b) Approve Amendment No. 1 to [Contract Nos. PRO.0054.A-C](#), As-Needed Wastewater and Stormwater Services, with AECOM/Lotus, Joint Venture (JV) (PRO.0054.A), Brown and Caldwell/SRT, JV (PRO.0054.B), and Hazen and Sawyer/Avila and Associates, JV (PRO.0054.C), increasing each contract by \$2,000,000, and extending the duration of each Contract by two years and two months, for a total not-to-exceed amount of \$7,000,000 and a total duration of seven years and two months for each contract. (Norby)
- c) Accept work performed by NTK Construction, Inc. for [Contract No. WD-2686](#), Auxiliary Water Supply System Pumping Station No.1 Improvements (2014); approve Modification No. 15 (Final), increasing the contract by \$416,257, for a total contract amount of \$10,230,400, and increasing the contract duration by 1,828 consecutive calendar days (approximately five years), for a total contract duration of 2,538 consecutive calendar days (approximately six years and 11 months) to complete various additional work approved under previous modifications to resolve a generator vibration issue, and to perform final contract reconciliation; and authorize final payment to the contractor. (Robinson)
- d) Approve an increase of \$200,000 to the contract cost contingency and an increase of 180 calendar days to the contract duration contingency for [Contract No. WD-2797](#), San Francisco Westside Recycled Water Pump Station and Reservoir, with JMB Construction to address on-going schedule and cost impacts due to COVID-19 related delays in equipment

and material deliveries, and additional challenges to start-up testing due to lack of a permanent PG&E power source, and to address unanticipated changes through the remainder of the construction effort; and authorize the General Manager to approve future modifications to the contract for a total contract amount of up to \$18,396,520 and a total contract duration of up to 1,514 consecutive calendar days (approximately four years and two months).

(Robinson)

- e) Award [Contract No. WD-2801](#), 8- and 12-Inch Ductile Iron Water Main Replacement, 16-Inch Earthquake Resistant Ductile Iron Water Main Installation, Sewer Replacement, and Pavement Renovation, from Mariposa Street to Cesar Chavez on York and Hampshire Streets, in the amount of \$18,353,105, and with a duration of 921 consecutive calendar days (approximately two years and six months), to the responsible bidder that submitted the lowest responsive bid, JMB Construction, Inc., to replace and provide redundancy to the aging pipelines of San Francisco's water distribution system, replace aging sewer facilities, and renovate pavement. This action constitutes the Approval Action for the water main installation portion of 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 in its resolution. (Robinson)
- f) Accept work performed by Western Water Constructors, Inc., for [Contract No. WD-2809](#), San Francisco Groundwater Supply Phase 2; Approve Modification No. 8 (Final), increasing the contract amount by \$112,601, for a total contract amount of \$11,073,772, and increasing the contract duration by 717 consecutive calendar days (approximately two years), for a total contract duration of 1,972 consecutive calendar days (approximately five years and five months), to reconcile and finalize the quantities and costs of all bid items and change orders for additional electrical, mechanical, and plumbing at South Windmill Well Station, and to allow time for the completion of the remaining contract work; and authorize final payment to the contractor. (Robinson)
- g) Accept work performed by Cratus, Inc. under [Contract No. WD-2842](#), 8-Inch Ductile Iron Water Main Replacement on Casitas Avenue from Lansdale Avenue to Yerba Buena Avenue and on Dalewood Way from Lansdale to Sherwood Court, for a total contract amount of \$3,961,427, and with a total contract duration of 417 consecutive calendar days (approximately one year and two months); and authorize final payment to the contractor. (Robinson)
- h) Award [Contract No. WD-2890R](#), Bay Division Pipeline Nos. 3 and 4 Slip Lining at Lafayette Street, in the amount of \$5,662,200, and with a duration of 349 consecutive calendar days (approximately 11 months) to the responsible bidder that submitted the lowest responsive bid, Ranger Pipelines Inc., to insert structural pipe liners (slip line) inside Bay Division Pipeline Nos. 3 and 4 (BDPL3&4) at Lafayette Street in the City of Santa Clara and provide temporary monitoring for safe pipe entry at the Alviso Valve Lot in Sunnyvale. 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. (Robinson)

REGULAR CALENDAR

7. Award [Contract No. WW-733](#), As-Needed Sewer Inspection (FY23), in the amount of \$1,698,300, and with a duration of 570 consecutive calendar days (approximately one year and seven months), to the sole, qualified, responsible, and responsive bidder, Pipe and Plant Solutions, Inc., in accordance with San Francisco Administrative Code section 6.23(c)(2), to inspect existing sewers on an as-needed basis, at locations to be determined throughout San Francisco, California. (Robinson)
8. Public Hearing to consider and possible action to amend the FY 2023-24 San Francisco Public Utilities Commission [Operating Budget](#) including the Revenue Transfer for Capital in the amount of \$1,785,419,481; and **Biennial Programmatic Project Budget** in the amount of \$57,207,941. (Hom)
9. Public Hearing to consider and possible action to adopt the San Francisco Public Utilities Commission [10-Year Capital Plan](#) for FY 2023-24 through FY 2032-33 totaling \$8,788,740,352. (Hom)
10. Public Hearing to consider and possible action to adopt the [FY 2023-24 Capital Budget](#) of the San Francisco Public Utilities Commission of \$1,601,613,100; and authorize the General Manager to seek Board of Supervisors approval for the issuance of (1) \$358,985,453 aggregate principal amount of Water Revenue Bonds and other forms of indebtedness, including commercial paper and State Revolving Fund (SRF) loans, (2) \$1,047,288,286 aggregate principal amount of Wastewater Revenue Bonds and other forms of indebtedness, including commercial paper and SRF loans, and (3) \$41,031,367 aggregate principal amount of Power Revenue Bonds and other forms of indebtedness, including commercial paper and loans, subject to the terms of Charter Sections 9.107(6) and 9.107(8). (Hom)
11. Public hearing to consider and possible action to adopt the San Francisco Public Utilities Commission [10-Year Financial Plan](#) for FY 2023-24 through FY 2032-33. (Hom)
12. Approve form of [Letter of Credit agreement](#) with Bank of America in the principal amount not to exceed \$125 million (exclusive of 270 days' interest) and approve a form of replacement dealer agreements in support of the Power Commercial Program; and authorize the General Manager to enter into an agreement with Bank of America N.A for a new Letter of Credit, and Barclays, Goldman Sachs, and RBC Capital Markets for amended dealer agreements related to the Program. (Hom)
13. Approve [credit facility and dealer agreements](#) for the Interim Funding Program of the Wastewater Enterprise in the form of (1) Revolving Credit and Term Loan Agreement and Fee Agreement with Bank of America NA for a term of three years; and (2) Dealer Agreements for Citigroup, Morgan Stanley, RBC Capital Markets, and US Bancorp; and authorize the General Manager to enter into these associated agreements. (Hom)
14. Update the [water waste restrictions for the use of potable water for construction or demolition projects](#), contained in Section E, Rule 12 of the San Francisco Public Utilities Commission Rules and Regulations Governing Water Service to Customers (Rules and Regulations), to provide additional detail regarding the restrictions and the process for requesting an exception. (Ritchie)

15. Approve modifications to the San Francisco Public Utilities Commission [Floodwater Management Grant Assistance Program Grant Requirements and Terms](#) to increase the SFPUC cost share to 100% and authorize the General Manager or the General Manager's designee to execute Grant Agreements under the modified Grant Program. (Norby)
16. Authorize the General Manager of the San Francisco Public Utilities Commission to execute an Amended and Restated [Memorandum of Understanding](#) with the San Francisco Recreation and Parks Department regarding the management of a portion of the SFPUC's Lake Merced lands. (Ritchie)
17. Communications (information only)
 - a) [Advance Calendar](#)
 - b) [Contract Advertisement Report](#)
 - c) [Correspondence Log](#)
 - d) [Annual Report on Dry Year Supply Progress Pursuant to AB 1823](#)
 - e) [Green Infrastructure Grant Program Board of Supervisors Update](#)
 - f) [Power Quarterly Report on Delegated Authority Contracts Pursuant to Administrative Code Section 21.43](#)
18. 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.
19. Items Initiated by Commissioners (discussion only)
20. Public comment on the matters to be addressed during Closed Session.
21. 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

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

BRIDGE Housing Corporation v. City and County of San Francisco (Unlitigated File No. 23-00416), filed September 8, 2022.

Proposed settlement of an unlitigated claim for property damage resulting from a ruptured water main with the City to pay BRIDGE Housing \$100,000 in exchange for a full and final release, subject to approval by the Board of Supervisors.
23. CONFERENCE WITH LEGAL COUNSEL regarding unlitigated claim (Government Code §54956.9, Administrative Code §67.10(d)(1)): (discussion only) (Bregman/Kus)

Various unlitigated regulatory claims regarding San Francisco's combined sewer system operations; *San Francisco Bay Regional Water Quality Control Board v. City and County of San Francisco* (unlitigated claim and stipulation); *City and County of San Francisco v. U.S.*

Environmental Protection Agency (U.S. Court of Appeals for the Ninth Circuit, Case No. 21-70282); City and County of San Francisco v. California State Water Resources Control Board. (Alameda Superior Court, Case No. RG19042575)

Following Closed Session, the Commission will reconvene in Open Session

24. Announcement following Closed Session.

25. Motion regarding whether to disclose the discussions during Closed Session pursuant to San Francisco Administrative Code Section 67.12(a).

26. Adjournment

San Francisco Public Utilities Commission
525 Golden Gate Avenue, 13TH Floor
San Francisco, CA 94102