SAN FRANCISCO PUBLIC UTILITIES COMMISSION
City and County of San Francisco

Edwin M. Lee
MAYOR

AGENDA
Tuesday, April 26, 2016

1:30 P.M.
1 Dr. Carlton B. Goodlett Place
City Hall, Room 400
San Francisco, CA 94102

Commissioners
Francesca Vietor, President
Anson Moran, Vice President
Ann Moller Caen
Vince Courtney
Ike Kwon

Harlan L. Kelly, Jr.
General Manager

Donna Hood
Secretary

For information, contact the Commission Secretary at 554-3165.
Minutes and other information are available on the SFPUC web site:
www.sfwater.org
Gavel-to-Gavel coverage available at:
http://sanfrancisco.granicus.com/ViewPublisher.php?view_id=22
CEQA decision. The San Francisco Public Utilities Commission meeting will be held in Room 400, at 1 Dr. Carlton B. Goodlett Place, San Francisco, CA. The closest accessible BART station is the Civic Center Station at United Nations Plaza and Market Street. Accessible MUNI lines serving this location are: MUNI Metro Lines J-Church, K-Ingleside, L-Taraval, M-Ocean View, N-Judah and T-Third at Van Ness and Civic Center Stations; F-Market; 19-Polk; 47-Van Ness; 49-Mission-Van Ness; 5-Fulton; 6-Parnassus, 21-Hayes; 9-San Bruno; and 71-Haight Noriega. For information about MUNI accessible services call 701.4485.

The meeting room is wheelchair accessible. Accessible curbside parking spaces have been designated on the Van Ness Avenue and McAllister Street perimeters of City Hall for mobility-impaired persons. There is accessible parking available within the Civic Center Underground Parking Garage at the corner of McAllister and Polk Streets, and within the Performing Arts Parking Garage at Grove and Franklin Streets.

To obtain a disability-related accommodation, including auxiliary aids or services, or to obtain meeting materials in alternative format, please contact Donna Hood at 415.554.0761. Providing at least 72 hours notice will help to ensure availability. Written reports or background materials for calendar items are available for public inspection and copying at 525 Golden Gate Ave., 13th Floor during regular business hours and are available on-line at http://www.sfgov.org/ethics/index.aspx?page=167.

To assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City to accommodate these individuals.

The ringing of and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the President may order the removal from the meeting room of any person(s) responsible for the ringing or use of a cell phone, pager, or other similar sound-producing electronic devices.

**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; by phone at 554.7724; by fax at 554.7854; or by email at sotf@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.

**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; website 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.sfwater.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. Approval of the Minutes of March 22, 2016
4. General Public Comments
   Members of the public may address the Commission on matters that are within the Commission’s jurisdiction and are not on today’s agenda.
5. Communications
   a) Advance Calendar
   b) Contract Advertisement Report
   c) Letter Summary
   d) Annual Electric Reliability Compliance Program Report
   e) Report on lessons learned with regard to the Living Machine, solar panels, and wind turbines (QST-10.13.15-01)
   f) Management Response to Commission Question (QST-01.26.13-03)
   g) BAWSCA’s Comments on March 2016 Revised WSIP
6. Other Commission Business
7. Report of the General Manager
   a) Drought Update (Ritchie)
   b) Ocean Beach Update (Moala)
8. BAWSCA Report (Sandkulla)

The following matters before the San Francisco Public Utilities Commission are recommended for action as stated by the General Manager and City Attorney here applicable. Explanatory documents provided to the Commission in connection with this agenda are available for public inspection and copying at the Office of the Commission Secretary, 525 Golden Gate Avenue, 13th Floor, San Francisco, CA 94102, Telephone: (415) 554-3165; Fax: (415) 554-3424.

CONSENT CALENDAR

9. 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 Amendment No. 1 to Agreement No. CS-200, with Associated Right of Way Services Inc., to continue providing right of way services for the program projects; and authorize the General Manager to negotiate and execute this amendment, extending the agreement duration up to two years, for a total agreement duration of six years, seven months, with no change to the
b) **Approve Amendment No.1 to Agreement No. CS-224B**, System Integration and Support Services – Related to Project Controls, with Westland Management Solutions, Inc., to provide specialized system integration and support services to implement and improve the delivery of its Capital Improvement Programs and Capital Projects for all Enterprises; and **authorize** the General Manager to execute this amendment, **increasing the agreement by $4,500,000**, for a total not-to-exceed agreement amount of $9,000,000; and **extending the agreement term by three years**, for a total contract duration of nine years.  

How

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c) **Approve Amendment No. 2 to Agreement No. CS-225R**, Seismic Upgrade of Bay Division Pipeline Nos. 3 & 4 at Hayward Fault, Construction Management Services, with EPC Consultants, Inc., to continue providing construction management services; and **authorize** the General Manager to execute this amendment, with a **time extension of one year**, for a total agreement duration of four years and 10 months, with no change to the agreement amount.  

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d) **Approve Amendment No.2 to Agreement No. CS-303**, College Hill Garden Design with Pam Nagle, to extend the contract through implementation of the K-5 curriculum at the learning garden; and **authorize** the General Manager to execute this amendment, **increasing the agreement by $50,000**, for a total not-to-exceed agreement amount of $395,000, and with a **time extension of four months**, for a total agreement duration of two years and 11 months.  

Ellis

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e) **Approve Amendment No. 2 to Agreement No. CS-361**, Watershed Maintenance Project, with the San Francisco Conservation Corps, to assist with the maintenance of diverse watershed lands owned and operated by the San Francisco Public Utilities Commission; and **authorize** the General Manager to execute this amendment, **increasing the agreement by $75,000**, for a total not-to-exceed agreement amount of $300,000, and with a **time extension of eight months**, for a total agreement duration of two years and two months.  

Ritchie

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f) **Approve Amendment No. 2 to Agreement No. CS-963**, Program Construction Management Services for the WSIP, with AECOM USA, Inc., for extended construction management services consistent with the March 2014 Revised WSIP proposal presented to this Commission on April 22, 2014; and **authorize** the General Manager to execute this amendment **extending the agreement duration up to two years and seven months**, for a total agreement duration of nine years, 11 months, and 22 days, with no change to the agreement amount.  

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g) **Approve** the plans and specifications, and **award Contract No. HH-982**, Moccasin Facilities Upgrade – Moccasin Shops/Office Building and Materials Bins, **in the amount of $9,171,000**, to the lowest, qualified, responsible and responsive bidder, Robert E. Boyer Construction, Inc., to construct a 10,000
square foot LEED Gold combination shops/office building and replacement materials bins in the Moccasin Yard. 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.

h) **Accept** work performed by Azul Works, Inc., for **Contract No. WD-2696**, Auxiliary Water Supply System – New Cisterns B; **Approve Modification No. 6** (Final), **decreasing the contract amount by $111,210**, to reconcile final payment items to reflect actual quantities used under unit price and allowance bid items, for a total contract amount of $4,100,608, and with a **time extension of 199 consecutive calendar days** (approximately six months, two weeks), for a total contract duration of 654 consecutive calendar days (approximately one year, 10 months); and **authorize** final payment to the contractor.  

i) **Approve Modification No. 2 to Contract No. WD-2503R**, 8-Inch Ductile Iron Main Installation in Jackson, Washington, Sacramento, and Davis Streets, with Empire Engineering and Construction Inc., **increasing the contract amount by $303,590**, for a total contract amount of $3,347,533, and with a **time extension of 125 consecutive calendar days** (approximately four months), for a total contract duration of 1,046 consecutive calendar days (approximately three years).  

j) **Accept** work performed by Anvil Builders Inc., for **Contract No. WW-589**, Oceanside Water Pollution Control Plant Total Solid Control and Waste Activated Sludge System Upgrade; **Approve Modification No. 1** (Final), **decreasing the contract amount by -$25,642**, for a total contract amount of $1,554,858, and with a total contract duration of 395 consecutive calendar days (approximately one year and one month); and **authorize** final payment to the contractor.  

k) **Authorize** the General Manager to execute, on behalf of the City and County of San Francisco, an **Agreement with the Muwekma Ohlone Tribe** to assist the San Francisco Public Utilities Commission (SFPUC) in the development of interpretive exhibits related to the Tribe at the SFPUC’s proposed Alameda Creek Watershed Center in Sunol; and in the treatment of human remains exposed as a result of construction of the Project; and contribute to the final archaeological report through an agreement with a term of 36 months (three years), and with an **agreement amount not-to-exceed $208,000**. (Ritchie)

REGULAR SESSION

10. **Public Hearing: Discussion and possible action to approve the project-level scope, schedule and budget of the March 2016 Revised Water System Improvement Program** and direct staff to send a Notice of Change Report to the California Joint Legislative Audit Committee, the California Department of Public Health and the California Seismic Safety Commission in compliance with California Assembly Bills 1823 and 2437.  

11. **Presentation by the Rate Fairness Board**: Report on the proposed schedule of electric rates, fees, and charges for FY 2016-17 and FY 2017-18  

(Cheng)
12. **Public Hearing: Discussion and possible action to adopt a proposed new schedule of rates, fees and charges for Hetch Hetchy Power Enterprise electric utility service for certain municipal customers or other public or governmental agencies, to be applied to meter readings on or after July 1, 2016.**

(Sandler)

13. **Public Hearing: Discussion and possible action to adopt a proposed new schedule of retail electric rates, fees and charges for residential, commercial and industrial customers where the Hetch Hetchy Power Enterprise has been designated as the power provider for retail customers (not municipal or certain existing public agency customers), to be applied to meter readings on or after July 1, 2016.**

(Sandler)

14. **Public Hearing: Discussion and possible action to adopt a Net Energy Metering schedule for CleanPowerSF (NEM-CleanPowerSF), rates for Net Surplus Compensation for NEM-CleanPowerSF customers, and new residential time-of-use rates, which would:**

   (1) Direct the General Manager to implement the NEM-CleanPowerSF schedule for eligible CleanPowerSF customers;

   (2) Establish a Net Surplus Compensation Rate for eligible CleanPowerSF NEM customers if they are net electricity generators over the course of a 12-month period;

   (3) Direct the General Manager to report back to the Commission annually on the status of the NEM-CleanPowerSF Program; and

   (4) Adopt new time-of-use rates for residential customers and authorize the General Manager to periodically incorporate new rate schedules to ensure that CleanPowerSF customers have rate offerings that are comparable to what they would receive as generation customers of Pacific Gas and Electric Company (PG&E), as long as those rates do not exceed PG&E rates, less the Power Charge Indifference Adjustment and Franchise Fee Surcharge. (Hale)

15. **Public Hearing: Discussion and possible action to adopt a Customer Self-Generation Program Implementing Net Energy Metering (NEM) and Shared Renewable Energy (ShaRE) Schedule, which would:**

   (1) Direct the General Manager to implement a NEM schedule for SFPUC retail electricity customers as required by Public Utilities Code 2827;

   (2) Find that based on the results of the Customer Generation Pilot Program (at Pier 1 and Fort Mason), ShaRE will not increase the expected revenue requirement from non-participating customers (i.e., cause cost shifting) beyond what would otherwise occur under standard NEM;

   (3) Direct the General Manager to implement the proposed ShaRE program, extending the benefits of NEM to SFPUC electricity customers with multi-tenant and multi-meter facilities located on the same or contiguous properties;

   (4) Direct the General Manager to develop a Net Surplus Electricity Compensation Rate, based on determination of the SFPUC’s generation rate, for eligible SFPUC electricity on the NEM schedule if they are net electricity producers over the course of a 12-month period; and

   (5) Direct the General Manager to report back to the Commission annually on: (a) the status of the Customer Self-Generation Program, including total
participating generating capacity and annual Net Surplus Electricity Compensation; and (b) any needed program refinements to protect non-participants from cost-shifts and promote the development of local renewable energy resources.  

(Hale)

16. **Approve Amendment No. 3 to Agreement No. CS-913**, Construction Management Services - Bay Tunnel Project, with Jacobs Engineering Group, Inc., to continue providing construction management services; and **authorize** the General Manager to execute this amendment, with a **time extension up to 11 months**, for a total agreement duration of eight years, seven months, with no change to the agreement amount.  

(How)

17. **Approve Amendment No. 1 to Agreement No. CS-1010(G)**, Front Yard Ambassadors Program Grant, with Friends of the Urban Forest to continue providing program and project management services for the Front Yard Ambassadors Program; and **authorize** the General Manager to execute this amendment, **increasing the agreement by $80,000**, for a total not-to-exceed agreement amount of $160,000, and with a **time extension up to one year**, for a total agreement duration of two years.  

(Ellis)

18. **Authorize** the General Manager to execute, on behalf of the City and County of San Francisco, a **Memorandum of Agreement with the County of Tuolumne**, **for an amount not to exceed $2,365,354**, and with a duration of six years, which will provide funding for fire suppression and protection, sheriff protection and patrol, road maintenance, ambulance services, and other essential services for the Hetch Hetchy Water and Power Project.  

(Ritchie)

19. **Authorize** the General Manager to request the Mayor and Board of Supervisors’ approval of a **supplemental appropriation in the amount of $5,937,594 for the Warnerville Substation Upgrades Project**, if required. The project is necessary to mitigate the impacts to the City’s electric system caused by the interconnection of electric generating projects to the electric grid.  

(Ritchie)

20. **Adopt** findings pursuant to the California Environmental Quality Act; **Approve** the partial quitclaim of a public utility easement encumbering San Francisco Block 8709, Lot 020; **Approve** the terms and conditions; and **authorize** the General Manager to execute the **Easement Quitclaim Deed**, transferring the City and County of San Francisco’s interests in a portion of the easement to Kaiser Foundation Health Plan, Inc.  

(Carlin)

21. **Authorize** the General Manager to negotiate to extend the **Water System Improvement Program Project Labor Agreement** (PLA) to the Sewer System Improvement Program and Auxiliary Water Supply System Pumping Station 2 Project, subject to Commission approval of the terms of the PLA as modified.  

(How)

22. **Adopt** findings pursuant to the California Environmental Quality Act related to an Ordinance proposed to be introduced at the Board of Supervisors on April 19, 2016, entitled **Street Vacation and Sale of Property at Jessie Street and Elim Alley, Oceanwide Center**, concerning matters that are within the jurisdiction of
the San Francisco Public Utilities Commission; and Authorize the General Manager of the SFPUC to recommend that the Board approve the proposed Ordinance. (Russell)

23. Public Comments on matters to be discussed in Closed Session.

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

CLOSED SESSION

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

25. Conference with Legal Counsel – Pursuant to California Government Code Section 54956.9 (d) (2) and San Francisco Administrative Code Section 67.10 (d) (2) (Ambrose)

   Anticipated Litigation as Defendant

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

   Unlitigated Claim

   State Water Resources Control Board v. City and County of San Francisco
   City Attorney File No.: 160984

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

   Existing Litigation

   Alfaro v. City and County of San Francisco
   Filed Amended Complaint: December 8, 2015
   City Attorney File No.: 160241

28. Conference with Legal Counsel - Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 67.10 (d) (1) (Mueller)

   Existing Litigation:

   City and County of San Francisco v. Pacific Gas & Electric
   Federal Energy Regulatory Commission
   Case No.: EL15-3-000/Date Filed: October 10, 2014

29. Conference with Legal Counsel - Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 67.10 (d) (1) (Mueller)

   Existing Litigation:

   Pacific Gas & Electric
   Federal Energy Regulatory Commission
   Tariff Withdrawal per 35.15: Notice of Termination of the 1987 CCSF Interconnection Agreement – PG&E Rate Schedule FERC No. 114 to be effective June 30, 2015.
30. Conference with Legal Counsel - Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 67.10 (d) (1) (Mueller)

Existing Litigation:
Pacific Gas & Electric
Tariff Withdrawal per 35.15: Notice of Termination of The CCSF Facilities Charge Agreement for Moscone to be effective June 30, 2015.

Case No.: ER15-702-000/Date Filed: December 23, 2014

31. Conference with Legal Counsel - Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 67.10 (d) (1) (Mueller)

Existing Litigation:
Pacific Gas & Electric
Federal Energy Regulatory Commission
§205(d) rate filing per 35.13 (a)(2)(iii): City and County of San Francisco Transmission Owner Tariff Replacement Agreements to be effective July 1, 2015

Case No.: ER15-703-000/Date Filed: December 23, 2014

32. Conference with Legal Counsel - Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 67.10 (d) (1) (Mueller)

Existing Litigation:
Pacific Gas & Electric
Federal Energy Regulatory Commission
§205(d) rate filing per 35.13 (a)(2)(iii): City and County of San Francisco Wholesale Distribution Tariff Replacement Agreements to be effective July 1, 2015

Case No.: ER15-704-000/Date Filed: December 23, 2014

33. Conference with Legal Counsel - Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 67.10 (d) (1) (Mueller)

Existing Litigation:
Pacific Gas & Electric
Federal Energy Regulatory Commission
Notice of Termination of Facilities Charge Agreements between PG&E and the City and County of San Francisco

Case No.: ER15-735-000/Date Filed: December 23, 2014

34. Threat to Public Services or Facilities – Pursuant to California Government Code Section 54957 and San Francisco Administrative Code 67.10 (a)(Carroll)
Consultation with Agency Chief of Security concerning security of SFPUC Water and Power Systems.

Following Closed Session, the Commission will reconvene in Open Session

35. Announcement following Closed Session
36. Motion regarding whether to disclose the discussions during Closed Session

37. Other New Business

38. Adjournment
NOTICE OF PUBLIC HEARING

NOTICE OF PUBLIC HEARING Tuesday, April 26, 2016 – 1:30 PM City Hall, Room 400, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102, at a Regular Meeting of the SAN FRANCISCO PUBLIC UTILITIES COMMISSION, and if necessary, May 10, 2016 City Hall, Room 400, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102, at a Regular Meeting of the SAN FRANCISCO PUBLIC UTILITIES COMMISSION: Public Hearing, discussion and possible action to adopt electric rates and charges for CleanPowerSF customers, including a tariff for Net Energy Metering for CleanPowerSF customers. The detailed agenda and related files will be available at least 72 hours before the scheduled meetings at the SFPUC website www.sfwater.org, or by calling (415) 554-3165.
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NOTICE OF PUBLIC HEARING Tuesday, April 26, 2016 – 1:30 PM City Hall, Room 400, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102, at a Regular Meeting of the SAN FRANCISCO PUBLIC UTILITIES COMMISSION (SFPUC), and Tuesday, May 10, 2016 – 1:30 PM City Hall, Room 400, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102, at a Regular Meeting of the SAN FRANCISCO PUBLIC UTILITIES COMMISSION, and if necessary, Tuesday, May 24, 2016 – 1:30 PM City Hall, Room 400, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102, at a Regular Meeting of the SAN FRANCISCO PUBLIC UTILITIES COMMISSION: Public Hearing, discussion, and possible action to adopt proposed new Electric Service schedule of rates, fees and charges to be applied to meter readings on or after July 1, 2016 for certain municipal and public agency customers; retail residential, commercial, and industrial customers; and net energy metering customers, where the SFPUC Power Enterprise has been designated as the primary provider. The detailed agenda and related files will be available at least 72 hours before the scheduled meetings at the SFPUC website www.sfwater.org, or by calling (415) 554-3165.