SAN FRANCISCO PUBLIC UTILITIES COMMISSION
City and County of San Francisco

Edwin M. Lee
MAYOR

Minutes
Tuesday, July 26, 2016
(Approved August 9, 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
1. Call to Order
   President Vietor called the meeting to order at 1:34 PM.

2. Roll Call
   Present: Vietor, Caen, Courtney and Kwon

3. Approval of the Minutes of July 12, 2016
   On Motion to approve the Minutes of June 14, 2016:
   Ayes: Vietor, Caen, Courtney and Kwon
   No public comment.

4. General Public Comments
   • Mr. Spreck Rosenkrans, Restore Hetch Hetchy, discussed low water use in East Palo Alto. He noted the need for additional water allocation to East Palo Alto.

   Vice President Moran arrived at 1:37 PM.

5. Communications
   a) Advance Calendar
   b) Letter Summary
   c) O’Shaughnessy Dam Quarterly Report (2016 Q1/Q2)
   No public comment.

6. Other Commission Business
   None.

7. Report of the General Manager
   a) Drought Update
      Mr. Steve Ritchie, Assistant General Manager (AGM) Water, provided a drought update. He reviewed total system storage, noting it is at 90.7 percent. He reviewed total deliveries and stated conservation continues. He recommended that due to the lack of precipitation and snowpack, his verbal reports cease until October. He will provide a written report until the verbal reports resume. The Commission concurred.
      No public comment.

   b) CleanPowerSF Update
      Mr. Michael Hyams, Director, CleanPowerSF, provided a CleanPowerSF update. He stated service is in the 13th week; there are 7,400 active service locations (7,000 commercial and 400 residential); the opt-out rate for May enrollment is at 1.6 percent; all statutorily required opt-out notices have been sent; and Super Green participation rate is at three percent. He stated there are 551 customers signed-up for August enrollment, with 72 percent selecting Super Green. He indicated that staff is finalizing the notice for next enrollment period, with emphasis on Super Green. He discussed the posting of a bill calculator, and “how to read your bill” tutorial on the CleanPowerSF website.
Mr. Hyams discussed the upcoming action item (#9), authorizing the GM to exceed 50 MW for Phase I. He briefly reviewed the goals of the enrollment periods phases, and discussed the need for the resolution. He informed the Commission that there will be an action item in the near future to lay out the power purchasing authority delegated to the GM.

He presented a mailer which presents a comparison of typical electric rates, average monthly charges, and generation portfolio contents.

Mr. Hyams responded to a question from Vice President (VP) Moran regarding enrollment periods and service start dates.

President Vietor requested that program information continue to be provided in real-time.

Mr. Hyams responded to a question from Commission Caen regarding the generation mix of SuperGreen, noting the mix will evolve over time. Brief discussion ensued.

Commissioner Courtney thanked Mr. Hyams and staff for their work. He requested that staff stay on top of employment and staffing issues. Mr. Hyams stated staffing will be an important part of the growth plan. GM Kelly noted positions were included in the budget process.

Public Comments
- Mr. Jason Fried, LAFCo, thanked staff for their work. He stated the Rainforest Action Network encouraged member participation. He expressed support for the request to increase enrollment cap to 75 MW.

The Commission Secretary read the Closed Session items, stating that item 8f was removed and will be rescheduled for the August 9, 2016 meeting.

8. Consent Calendar
   a) Approve Amendment No. 1 to Agreement No. CS-1007, Structural Engineering Services for 525 Golden Gate, with SOHA Engineers for continued structural engineering support during construction of building modifications; and authorize the General Manager to execute this amendment, increasing the agreement by $60,000, for a total not-to-exceed agreement amount of $160,000, and with a time extension of one year, for a total agreement duration of four years. (Resolution 16-0142)

   b) Award Job Order Contract No. JOC-60, General Engineering (A-License) for San Francisco, San Mateo, Santa Clara, and Alameda Counties, for a not-to-exceed amount of $5,000,000, to the lowest, qualified, responsible, and responsive bidder, Cal State Constructors, Inc., to perform general engineering construction tasks for all San Francisco Public Utilities Commission enterprise operations and bureaus. (Resolution 16-0143)

   c) Accept work performed by Michels/Jay Dee/Coluccio, Joint Venture, for
Contract No. WD-2531, Bay Division Pipelines Reliability Upgrade – Bay Tunnel; Approve Modification No. 48 (Final), decreasing the contract amount by $401,175, for a total contract amount of $217,619,067, with a time extension of 319 non-compensable consecutive calendar days, for a total contract duration of 2,252 consecutive calendar days; and authorize final payment to the contractor. (Resolution 16-0144)

d) Accept work performed by JDB & Sons Construction Inc., for Contract No. WD-2779, College Hill Learning Garden; Approve Modification No. 1 (Final), increasing the contract amount by $57,252, for a total contract amount of $580,652, with a time extension of 119 consecutive calendar days, for a total contract duration of 189 consecutive calendar days; and authorize final payment to the contractor. (Resolution 16-0145)

e) Accept work performed by Shimmick Construction Company, Inc., for Contract No. WW-490, Oceanside Water Pollution Control Plant 620 Digesters SBR TPAD Conversion and Facility Improvements; Approve Modification No. 11 (Final), increasing the contract amount by $158,021, for a total contract amount of $19,034,533, and with a time extension of 167 consecutive calendar days, for a total contract duration of 1337 consecutive calendar days; and authorize final payment to the contractor. (Resolution 16-0146)

f) Authorize the General Manager to negotiate and execute, on behalf of the City and County of San Francisco, a Memorandum of Agreement (MOA) with the California Department of Fish and Wildlife (CDFW), for an amount not to exceed $585,000, and with a duration of 12 months, which will allow for the SFPUC to provide funding to CDFW for the design, procurement, and installation of a temporary water treatment and reuse system (Pilot Recirculation System) at Moccasin Creek Fish Hatchery. CDFW intends to implement the Pilot Recirculation System to enable the Hatchery to successfully operate from January 3, 2017 through March 4, 2017, a period in which water deliveries through Mountain Tunnel will be interrupted due to maintenance, and consequently, water deliveries to the Hatchery will be significantly reduced.

On Motion to approve items 8a through 8e:
Ayes: Vietor, Moran, Caen, Courtney and Kwon

No public comment.

9. Authorize the General Manager to exceed 50 MW average demand for the CleanPowerSF program and set the new program enrollment cap at approximately 75 MW average, as long as the additional demand can be met in accordance with the adopted CleanPowerSF Power Content and Phasing Policies. (Resolution 16-0147)

The Commission Secretary noted a substituted resolution was provided to the Commission and made available to the public.

Motion to approve item 9:
Public Comments
• Mr. Jed Holtzman, 350 SF, stated that as long as the policies are followed, the resolution should be amended to the full load of San Francisco. He discussed the load of other CCA programs.

Mr. Hyams responded to a question from VP Moran regarding potential rate impact for existing customers by expanding to 75 MW.

VP Moran presented and moved an amendment to the resolution to strike the word “approximately” prior to the mention of 75 MW in the first Further Resolved clause, and in the proposed second Further Resolved clause. Brief discussion ensued. Mr. Hyams provided explanation for inclusion of the work “approximately”.

Public comment on amendment
• Mr. Jason Fried, LAFCo, provided comments on the amendment and the proposed cap. He suggested eliminating the 75 MW cap altogether.
• Mr. Jed Holtzman, 350 SF, expressed concurrence with Mr. Fried’s comments for elimination of the cap.

Commissioner Courtney was excused from the meeting at 2:20 PM.

President Vietor asked about implications of removing the 75 MW cap. VP Moran provided comments. Mr. Hyams discussed program authority and planning efforts, and stated the 75 MW will be responsive to current customer demand. GM Kelly and Mr. Hyams provided additional comments. Brief discussion ensued.

On Motion to approve Commissioner Moran’s amendment:
Ayes: Vietor, Moran, Caen and Kwon

On (previous) Motion to approve item:
Ayes: Vietor, Moran, Caen and Kwon

10. Approve the revised Records Retention Schedule and Record Retention Policy of the San Francisco Public Utilities Commission. (Resolution 16-0148)
Ms. Leslie Fisher, Records Manager, introduced the item and requested approval.

On Motion to approve item 10:
Ayes: Vietor, Moran, Caen, and Kwon

Public Comments
• Ms. Sylvia Johnson provided comment on the item.

11. Approve amendments to Agreement Nos. CS-211A-D, Specialized and Technical Services, Natural Resources Division, Water Enterprise, with CDM Smith/ATS, Joint Venture (CS-211A); ICF+Avila, Joint Venture (CS-211B); Shaw Environmental and Infrastructure, Inc., (CS-211C); and URS Corporation (CS-211D), to provide continuing permit compliance monitoring of Water System Improvement Program (WSIP) habitat mitigation sites; and authorize the General
Manager to execute future amendments within the existing contract capacity of $20,000,000, with no single contract exceeding $7,500,000. (Resolution 16-0149)

On Motion to approve item 11:
Ayes: Vietor, Moran, Caen, and Kwon

No public comment.

The Commission Secretary read the Closed Session items, stating items 14 and 23 through 29 would not be heard.

12. Public Comments on matters to be discussed in Closed Session.
   • Ms. Sylvia Johnson provided comment.

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

On Motion to assert:
Ayes: Vietor, Moran, Caen and Kwon

The Commission entered Closed Session at 2:34 PM.

14. Conference with Legal Counsel – Pursuant to California Government Code Section 54956.9 (d) (3) and San Francisco Administrative Code Section 67.10 (d) (2)
Anticipated Litigation as Plaintiff

15. Conference with Legal Counsel – Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 67.10 (d) (1)
Existing Litigation
George Birmingham v. City and County of San Francisco
San Francisco Superior Court No.: CGC-15-547835
City Attorney File No.: 160278

16. Conference with Legal Counsel – Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 67.10 (d) (1)
Existing Litigation
San Francisco Superior Court No.: CGC-14-543173
City Attorney File No.: 150762
(Resolution 16-0150)

17. Conference with Legal Counsel – Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 67.10 (d) (1)
Existing Litigation
San Francisco Superior Court No.: CGC-14-543173
City Attorney File No.: 150762
(Resolution 16-0151)
18. Conference with Legal Counsel – Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 67.10 (d) (1)
Existing Litigation
Karen Caldwell v. City and County of San Francisco
San Francisco Superior Court No.: CGC-14-538566
City Law File No.: 141387
(Resolution 16-0152)

19. Conference with Legal Counsel – Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 67.10 (d) (1)
Existing Litigation
Stacey A. Lawrence v. City and County of San Francisco, et al
San Francisco Superior Court No.: CGC-14-542269
City Attorney File No.: 151275
(Resolution 16-0153)

20. Conference with Legal Counsel – Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 67.10 (d) (1)
Existing Litigation
Civil Service Employees Insurance Co. v. City and County of San Francisco
San Francisco Superior Court No.: CGC-14-538389
City Attorney File No.: 141160
(Resolution 16-0154)

21. Conference with Legal Counsel – Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 67.10 (d) (1)
Existing Litigation
CSAA Insurance Exchange v. City and County of San Francisco, et al
San Francisco Superior Court No.: CGC-14-539993
City Attorney File No.: 150013
(Resolution 16-0155)

22. Conference with Legal Counsel – Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 67.10 (d) (1)
Existing Litigation
Encompass Insurance Company v. City and County of San Francisco, et al
San Francisco Superior Court No.: CGC-14-538395
City Attorney File No.: 141137
(Resolution 16-01xx)

23. Conference with Legal Counsel - Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 67.10 (d) (1)
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
24. Conference with Legal Counsel - Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 67.10 (d) (1)
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.
Case No.: ER15-702-000/Date Filed: December 23, 2014

25. Conference with Legal Counsel - Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 67.10 (d) (1)
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.: ER15-703-000/Date Filed December 23, 2014

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)
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.: ER15-705-000/Date Filed: December 23, 2014

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)
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

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)
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

29. Threat to Public Services or Facilities – Pursuant to California Government Code Section 54957 and San Francisco Administrative Code 67.10 (a)

The Commission exited Closed Session at 2:55 PM.
30. **Announcement following Closed Session**
   President Vietor announced that settlements were reached (items 16 through 22).
   No other action was taken.

31. **Motion regarding whether to disclose the discussions during Closed Session**
   On Motion not to disclose:
   Ayes: Vietor, Moran, Caen and Kwon

32. **Other New Business**
   None.

33. **Adjournment**
   President Vietor adjourned the meeting at 2:55 PM.