SAN FRANCISCO PUBLIC UTILITIES COMMISSION
City and County of San Francisco

Edwin M. Lee
MAYOR

AGENDA
Tuesday, June 28, 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
**Accessible Meeting Policy:** The San Francisco Public Utilities Commission meeting will be held in Room 400, at 1 Dr. Carlton B. Goodlett Place (400 Van Ness Ave.), 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.

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.

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; telephone (415) 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 /.Try giúp Thông dịch Miễn phí / Assistance linguistique gratuite / 無料の言語支援 /지원/ ความช่วยเหลือ / 無償の言語支援 / Libreng tulong para sawikang Tagalog / 지원

**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.sfplanning.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 June 14, 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) Letter Summary
   c) Status of Large Development Projects in the Water Service Area
   d) Water Supply Agreement Update

6. Other Commission Business

7. Report of the General Manager
   a) Recognition of John Gregson on his Retirement (Kelly, Jr.)
   b) Drought Update (Ritchie)
   c) CleanPowerSF Update (Hale)
   d) Update on Proposed State Legislation - ACA 11 (Hale)

8. BAWSCA Update (Sandkulla)

The following matters before the San Francisco Public Utilities Commission are recommended for action as stated by the General Manager and City Attorney where 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 the plans and specifications, and award Contract No. HH-986, 2017 Mountain Tunnel Interim Repairs, in the amount of $4,960,260, to the lowest, qualified, responsible and responsive bidder, Sierra Mountain Construction, to repair 7,200 linear feet of the Mountain Tunnel concrete lining, including performing road improvements to Rickson Road and providing assistance to the 2017 tunnel inspection. 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. (How)

b) **Approve** the plans and specifications, and **award** Contract No. WD-2760, 12-Inch and 8-Inch Ductile Iron Water Main Replacement, Sewer Replacement and Pavement Renovation on Waller Street and Various Side Streets, **in the amount of $4,822,740**, to the lowest, qualified, responsible and responsive bidder, M. Hernandez Construction, Inc., (dba Hernandez Engineering). (How)

c) **Approve** the plans and specifications, and **award** Contract No. WD-2781, 8-Inch Ductile Iron Water Main Replacement, Sewer Replacement, Pavement Renovation on Russia Avenue, Prague Street and various side streets, **in the amount of $5,499,989**, to the lowest, qualified, responsible and responsive bidder, Hernandez Engineering. 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. (How)

d) **Authorize the General Manager to update and make permanent mandatory water waste restrictions** as required pursuant to the Governor’s May 9, 2016 Executive Order, and to update language in the existing Section E, Rule 12 of the SFPUC’s **Rules and Regulations Governing Water Service to Customers** to reflect the SFPUC’s current procedures for responding to reports of water waste. (Ritchie)

e) **Authorize** the General Manager to execute, on behalf of the City and County of San Francisco, a **Memorandum of Understanding with the County of Alameda – Community Development Agency, Department of Agriculture/Weights and Measures**, to assist the SFPUC by providing invasive weed control and rodent control services at selected sites within the Alameda Creek Watershed through an agreement **with an initial term of three years and not-to-exceed $75,000**. (Ritchie)

**REGULAR SESSION**

10. **Approve Amendment No. 3 to Agreement No. CS-954B**, As-needed Environmental Services, with RMC Water and Environment to provide necessary consultant expertise to deliver environmental services for SFPUC capital projects; and **authorize** the General Manager to execute this amendment with a **time extension of six months**, for a total agreement duration of seven years and 10 months, with no change in the Agreement’s value. (How)

11. **Public hearing, discussion, and possible action to adopt changes to the 2015-2016 Drought Program to ease mandatory reductions on outdoor irrigation with potable water**. The Drought Program would continue the call for a 10 percent reduction in water use by all customers, but proposed changes would: (1) cease the current 25 percent mandatory reduction in water use by dedicated irrigation customers and corresponding excess use charges; (2) reduce the current mandatory reduction in water use by Interruptible Water Service customers from 30 percent to 10 percent, subject to excess use charges; and (3) revert reduced wastewater flow factors that had been adjusted to reflect a 25 percent
reduction in irrigation usage back to their pre-adjusted reduced values.  

(Ritchie)

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

13. 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:

14. Conference with Real Property Negotiator pursuant to Government Code Section 54956.8 and Administrative Code Section 67.8(a) (2)  

Property: 38240 Canyon Heights Drive, Fremont, California  

Persons Negotiating:  
SFPUC: Michael Carlin and Rosanna Russell  

Potential Buyers:  
Scott Zengel for Lafferty Homes  
James L. Meek for STL Company, LLC  
Kenneth S. Tersini for KT Urban Acquisitions, LLC  
Joshua Reed for Pacific Union  
Brian Steele for Trumark Homes  
Ciyavash Moazzani for Warmington Homes  

Under Discussion:  Terms of Payment _____ Price _____ Both ____XX____

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)  

Unlitigated Claim  
San Francisco against Landmark American Insurance Company and RSUI Indemnity Company

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  
Allied Insurance Company v City and County of San Francisco  
San Francisco Superior Court No.: CGC-15-543789  
City Attorney File No.: 150803

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)  

Unlitigated Claim  
Raymond Kruse and Ashley Kruse v. Precision Engineering, Inc., et al.  
San Francisco Superior Court No.: CGC-14-541704
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) (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

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

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) (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.: ER15-703-000/Date Filed December 23, 2014

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

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) (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
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) (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

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

Following Closed Session, the Commission will reconvene in Open Session

25. Announcement following Closed Session

26. Motion regarding whether to disclose the discussions during Closed Session

27. Other New Business

28. Adjournment
NOTICE OF PUBLIC HEARING Tuesday, June 28, 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, the governing board of the publicly owned utility operations of the City and County of San Francisco: Public hearing, discussion and possible action to adopt changes to the 2015-2016 Drought Program to ease restrictions on outdoor irrigation with potable water. Proposed changes include ceasing mandatory reductions and corresponding excess use charges for irrigation customers, reducing mandatory reductions corresponding excess use charges for interruptible service customers, and reverting flow factors that had been adjusted with adoption of the initial 2015-2016 Drought Program back to pre-adjusted values. 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.