



**SAN FRANCISCO PUBLIC UTILITIES
COMMISSION**

City and County of San Francisco

London N. Breed
Mayor

MINUTES
Tuesday, March 23, 2021
1:30 P.M.
(Approved April 13, 2021)

This meeting was held by Teleconference Pursuant to the Governor's Executive Order N- 29-20 and the Twelfth Supplement to Mayoral Proclamation Declaring the Existence of a Local Emergency Dated February 25, 2020

During the Coronavirus Disease (COVID-19) emergency, the San Francisco Public Utilities Commission's (SFPUC) regular meeting room, City Hall, Room 400, is closed. Commissioners and SFPUC staff will convene Commission meetings remotely by teleconference.

Commissioners

Sophie Maxwell, President
Anson Moran, Vice President
Tim Paulson
Ed Harrington
Newsha Ajami

Michael Carlin
Acting General Manager

Donna Hood
Secretary



1. Call to Order

President Maxwell called the meeting to order at 1:31PM.

2. Roll Call

Present: Maxwell, Moran, Paulson, Harrington and Ajami

3. Approval of the Minutes of March 9, 2021

On Motion to approve the Minutes of March 9, 2021

Ayes: Maxwell, Moran, Paulson, Harrington and Ajami

Public Comment

None.

4. General Public Comment

- *Eileen Boken discussed a letter she received from American Water Resources, which included the SFFPUC logo, regarding lateral insurance. She asked that the item be brought before the Commission again for the benefit of new Commissioners.*
- *Carol Steinfeld, Sierra Club Loma Prieta Chapter Water Committee, asked that a Hetch Hetchy forum or working group be created to share information and create implementation channels. She noted possible topics and stated that this should be addressed before the Bay Delta Plan.*
- *David Pilpel recognized the passage of retired Deputy City Attorney George Krueger. He discussed the Sewer System Improvement Program scope, schedule and budget changes that were approved in December and asked if there is anything new to report. He expressed frustration with his attempts to reach Irina Torrey of the SFPUC Environmental Bureau regarding the linking/reference of environmental documents on agenda items and indicated item 11 has the incorrect environmental document linked.*
- *Chris Shutes, California Sports Fishing Protection Alliance, provided a follow-up to his March 9 letter regarding San Francisco Petition for Reconsideration and the legal argument made in the letter. He indicated the SFPUC, as a client, should have more oversight of the City Attorney's office.*
- *Virginia Chang Kiraly, President, Santa Clara Harbor Board of Commissioners, thanked the Commission for their work. She discussed the Harbor Board's unanimous adoption of a policy on the economic recovery of Pilar Point Harbor. She expressed support for San Mateo Counties Salmon Fisheries and noted her Board's support for the Bay Delta Plan. She called on the SFPUC to abandon litigation against the State Water Board.*
- *Peter Drekmeier, Tuolumne River Trust, concurred the comments of Mr. Shutes and President Kiraly. He indicated he had read the Agricultural Management Plans for the Modesto Irrigation District and the Tuolumne Irrigation District and he discussed the low price of water for farmers. He indicated that the problem is that there is no revenue for infrastructure improvements and stated that is an opportunity for the SFPUC to help and share in the savings.*

5. Communications

a) Advance Calendar

- b) Contract Advertisement Report
- c) Correspondence Log
- d) Annual Comprehensive Financial Report and Annual Popular Financial Report
- e) Water Supply Conditions Update

Vice President (VP) Moran discussed the March 26, 2021 Special Water Workshop noted on the Advance Calendar. He noted there is nothing new in the white paper that was provided with the agenda materials. He indicated that the white paper will not be discussed during the workshop, but he assumes that everyone will have read it as a launching point for discussion. He stated that it is expected that advocacy will be kept out of the presentations. He stated water budget scenarios will be discussed during the workshop.

Public Comment

- *Peter Drekmeier expressed appreciation to VP Moran for his efforts on the third workshop and indicated he wants it to be productive.*

6. Bay Area Water Supply and Conservation Agency (BAWSCA) Update

Nicole Sandkulla, BAWSCA CEO, provided her update with a review of: (1) New regional demand projections will be used for regional planning work: BAWSCA's Regional Demand and Conservation Projections Study was completed in June 2020, which provided critical information to support water resources planning. Agencies were asked to identify how they will meet projected demand and provided critical information. The results were provided to the BAWSC Board in January 2021; (2) BAWSCA's Demand Study utilizes best practices for assessing future demands; (3) BAWSCA's regional population is projected to increase by 31% to 2.5 million people in 2045. 2040 population projections are 8% greater than previous projections; (4) Investment in conservation reduce projected 2045 demand by 13%; (5) 2045 demand is projected to be 4% less than prior 2040 demand projection; (6) From 1986 to 2045, projected population increased 76% while demand decreased 1%; (7) Residential per capita use in 2045 projected to be equal to lowest recorded use on record for region; (8) Purchases from San Francisco Regional Water System projected to stay below 184MGD Supply Assurance through 2045; (9) BAWSCA Agencies project increased use of local supplies to meet future demands; (10) BAWSCA will complete a refresh and update of the 2020 Demand Study next fiscal year; and (11) BAWSCA agencies investing in conservation and new water supplies to meet the regions planned growth.

In response to a comment and question from Commissioner Ajami regarding CEO Sandkulla's presentation of 56 gallon per day per individual, future projections, how realistic it is to assume there will be more than 184 MGD demand on the regional water supply system considering demand is shrinking, and that densification often reduces demand, CEO Sandkulla stated overall demand is slightly increasing but at a reduced rate compared to projections and that they are seeing the effect of increased growth.

Public Comment

- *David Pilpel thanked Ms. Sandkulla for her presentation. He questioned how projections can be made with uncertainty in the world. He agreed that conservation and efficiency need to be considered before additional supply; He stated BAWSCA's*

work will impact the public outreach efforts for the SFPUC's Integrated Water Resources Plan and Urban Water Management Plan.

- *Peter Drekmeier expressed appreciation for BAWSCA's 2020 demand projections noting it is a model for other agencies. He stated the population increase figure doesn't see realistic and that communities won't be growing as fast. He asked how past projections compare to the real numbers.*
- *Carol Steinfeld, Sierra Club Loma Prieta Chapter Water Committee, stated there is room for bringing the number down. Channels for implementation needed to manage use of water supply.*

7. Report of the General Manager (GM)

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

Acting GM Carlin announced he had nothing to report.

8. New Commission Business

None.

9. Consent Calendar:

- a) Approve Modification No. 1 to Job Order Contract, JOC-74, General Engineering (A-License) for San Joaquin, Stanislaus, and Tuolumne, with Sierra Mountain Construction, Inc., to complete ongoing facility and asset improvements, increasing the contract amount by \$2,500,000, for a total not-to-exceed amount of \$7,500,000, and increasing the contract duration by three years, for a total duration of five years, in accordance with San Francisco Administrative Code Section 6.62. ([Resolution 21-0045](#))
- b) Approve an increase of 306 calendar days to the contract duration contingency for Contract No. WW-639, Oceanside Water Pollution Control Plant Digester Gas Utilization Upgrades, with Monterey Mechanical Co.; and authorize the General Manager to approve future modifications to the contract for a total duration of up to 1,208 consecutive calendar days, with no change to the contract amount. ([Resolution 21-0046](#))
- c) Approve an increase of 17 calendar days to the contract duration contingency for Contract No. WW-671(I), Fillmore and Haight Street Intersection, AWSS, Pavement, and Sewer Replacement, with Ronan Construction, Inc.; and authorize the General Manager to approve future modifications to the contract for a total contract duration of up to 182 consecutive calendar days, with no change to contract amount. ([Resolution 21-0048](#))
- d) Approve an increase of 183 calendar days to the contract duration contingency for Contract No. WW-695, As-Needed Sewer Cleaning and Inspection (FY20), with Pipe and Plant Solutions, Inc.; and authorize the General Manager to approve future modifications to the contract for a total contract duration of up to 810 consecutive calendar days (approximately two years and two months), with no change to the contract amount. ([Resolution 21-0047](#))

Public Comment – Consent Calendar 9a through 9d:

- *Eileen Boken requested that item 9c be removed for discussion. She discussed funding and indicated that the project includes Auxiliary Water Supply System (AWSS) replacement and noted there is no reference to Earthquake Safety and Emergency Response (ESER) Bond Program. She asked why the AWSS and sewer replacement is taking place at an intersection and not the entire block.*

On Motion to approve Consent Calendar items 9a, 9b, and 9d:

Ayes: Maxwell, Moran, Paulson, Harrington, and Ajam

Howard Fung, Project Manager, stated Contract WW-671(I) is an informal construction contract to replace a segment of the AWSS system at the intersection of Fillmore and Haight Street and that it includes a modification of the sewer line as there was a conflict between the sewer line and AWSS. He stated funding is from ESER bonds and that it is a straight replacement of assets.

Public Comment – Item 9c

- *Eileen Boken thanked the Commission for discussing the item and noted her questions were answered.*

On Motion to approve Consent Calendar item 9c:

Ayes: Maxwell, Moran, Paulson, Harrington, and Ajami

10. Approve Amendment No. 1 to the Base Resource Contract with the United States Department of Energy Western Area Power Administration (WAPA), to allow WAPA to continue providing federal electricity to Treasure Island (TI) and Yerba Buena Island (YBI); and authorize the General Manager to execute this amendment, increasing the contract amount by \$7,691,541, for a total not-to-exceed agreement amount of \$27,691,541, and extending the term for an additional 30 years to December 31, 2054, for a total agreement duration of 50 years, subject to the Board of Supervisors approval pursuant to Charter Section 9.118. ([Resolution 21-0049](#))

Barbara Hale, Assistant General Manager (AGM) Power, introduced the item noting the history of the relationship with WAPA and of the services provided.

Public Comment

- *Eileen Boken stated change is rapid and dramatic and she questioned extending the contract for 30 years, locking the SFPUC into a long-term contract.*

AGM Hale concurred that change will happen. She stated that extensive development is expected on TI and YBI and more electric load will need to be served in the future. She noted there is a need to address the issue now but if circumstances change the SFPUC can step-back from the contract prior to the 2024 expiration date of existing agreement. She indicated it is typical for power purchase agreement to be long-lived to build portfolio of supply.

On Motion to approve item 10:

Ayes: Maxwell, Moran, Paulson, Harrington, and Ajami

The Commission Secretary announced that due to the incorrect CEQA document linked on the staff report for agenda item 11, the item was being pulled from the agenda and will be rescheduled to the next meeting with the correct link.

11. Approve the plans and specifications, and award Contract No. WW-711, Wawona Area Stormwater Improvement and Vicente Street Water Main Replacement Project, in the amount of \$29,132,100 and with a duration of 987 consecutive calendar days, to the responsible bidder submitting the lowest responsive bid, KJ Woods Construction Inc., to construct a stormwater conveyance system in the Wawona area and replace the water mains on Vicente Street. This action constitutes the Approval Action for the project for the purposes of California Environmental Quality Act (CEQA), pursuant to Section 31.04(h) of the San Francisco Administrative Code.
12. Adjournment
President Maxwell adjourned the meeting at 2:37 PM.

