



SAN FRANCISCO PUBLIC UTILITIES COMMISSION

City and County of San Francisco

London N. Breed

Mayor

MINUTES

Tuesday, March 9, 2021

(Approved March 23, 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

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 1:32 PM.

2. Roll Call

Present: Maxwell, Moran, Harrington and Ajami

Commissioner Paulson arrived at 1:38 PM.

3. Approval of the Minutes of February 23, 2021

On motion to approve the Minutes of February 23, 2021

Ayes: Maxwell, Moran, Paulson, Harrington and Ajami

No public comment.

4. General Public Comment

- *Francisco DaCosta stated that he wants deliberations to be factual and wants honesty, transparency, and accountability.*
- *Denise, former SF Resident, discussed the SFPUC Peninsula Watershed lands and expressed concern with the planned watershed burn behind her neighborhood. She stated she has received no outreach regarding the burn. She asked that Cal Fire conduct an environmental assessment and extend the public comment period by 30 days.*
- *Peter Drekmeier, Tuolumne River Trust, expressed pleasure with the recent dialogue with the Commission, but indicated the relationship with staff is deteriorating. He discussed his March 15, 2021 letter to the Commission.*
- *David Pilpel provided positive comments regarding the new SFPUC website.*
- *Ali Altaha provided his thoughts the LBE program and the award of contracts. He stated he has not seen action in the right direction and asked for solutions.*
- *Pat (inaudible) expressed concern with the Peninsula Watershed controlled burn and the (carbon) environmental impacts. He asked that Cal Fire extend the public comment period by 30 days and that they conduct an environmental review.*
- *Unidentified speaker expressed concern with the Peninsula Watershed controlled burn and indicated that public notice on fencing was inadequate with no direct notice provided to residents. She expressed concern for the wildlife. She asked that Cal Fire extend the public comment period and conduct an environmental review.*
- *Unidentified speaker expressed concern with the Peninsula Watershed controlled burn. He indicated that the Crystal Springs Cross Country course is in the middle of the planned burn area. He expressed concern for the wildlife.*
- *Unidentified speaker expressed concern with the Peninsula Watershed controlled burn. She indicated there are hundreds of homes located on the property line and that there was no outreach to residents, and the notices posted on the Watershed fences are inadequate. She indicated Cal Fire is non-responsive to community request to extend the public comment period by 30 days. She discussed the negative declaration.*

Steve Ritchie, Assistant General Manager Water, indicated that he will report back to the Commission about the controlled burn and request for extension of the public comment period. Commissioner Harrington requested that information also be provided as to who is responsible for maintaining the Crystal Springs Cross Country course.

5. Communications

- a) Advance Calendar
- b) Contract Advertisement Report
- c) Correspondence Log
- d) CleanPowerSF Update
- e) SB 222 (Water Affordability Assistance Program) & Water Ratepayer Assistance Advocacy

Public Comment

- *Ali Altaha requested that correspondence be included with the Correspondence Log.*
- *Juliet Christian-Smith, Water Foundation, spoke to Senate Bill 222 and indicated the SFPUC is a leader in efforts to ensure affordability and access. She asked for SFPUC's partnership and support for the Bill and to direct work closely with the Water Foundation for support and to secure funding.*

6. Presentation by KPMG LLP, of the Audited Financial Statements of SFPUC enterprises for FY 2019-20, detailing and summarizing the audit process, test work and audit options for the Water Enterprise, Wastewater Enterprise, and Hetch Hetchy Water & Power Enterprise, including CleanPowerSF.

Nancy Hom, Deputy Chief Financial Officer, noted that KPMG, LLP issued the audit on January 22, 2021 and that it is available on the SFPUC website. She stated that the audit summary indicated (1) no material misstatements in the financial statements for Water, Wastewater, and Hetch Hetchy Water & Power and CleanPowerSF, and (2) mitigations and resolutions in process to address identified internal control deficiency related to organizational "tone from the top".

Deputy CFO Hom introduced Lisa Avis, Managing Director, KPMP LLP, who thanked the SFPUC for quickly adapting to remote work and noted staff were able to accommodate requests and provide access to materials and data necessary to conduct the audit. Ms. Avis summarized the results auditors are required to communicate and indicated the SFPUC's received a clean (unmodified) opinion and that balances accurately reflect financial activity.

Ms. Avis stated the purpose of the audit is to express an opinion on financial statements, but that they also included consideration of internal control over financial reporting. She discussed the reported material weaknesses - 2020-0001: Inappropriate Tone at the Top and significant deficiencies in internal control. She indicated KPMG worked closely with the SFPUC and the City and received full cooperation during the audit process.

Ms. Avis reviewed SFPUC's significant accounting policies and practices and stated they are consistent with the industry and that the balances presented are reasonable. She stated that KPMG will work with the SFPUC regarding newly effective accountings for fiscal years 2020, 20201 and 2022.

Commissioner Harrington thanked Ms. Avis for her presentation and noted his background in finance and auditing. He discussed his work when he became the SFPUC GM to strengthen tone at the top. He noted at that time there were weaknesses in internal controls and he discussed the steps he took to train staff, to relay expectation for honesty, and the need to spend ratepayer funds appropriately. He expressed his understanding for the need to be vigilant.

Commissioner Harrington confirmed with Ms. Avis that there was no material financial statement impact from the material weakness; that it was not a fraud audit and that no fraud was found in the audit work; and that KPMG is alerting the Commission to the risk of fraud not the finding of fraud. Ms. Avis stated that a "potential" situation can be a weakness in findings.

Commissioner Harrington indicated that tone at the top is important but the need to protect the former General Manager's ability to get a fair trial is important as well, and that the allegations have not been proven in court. He expressed concern with the findings that indicated that allegations constituted an actual deficiency and not a risk. Ms. Avis provided brief response.

Ms. Avis responded to a question from Commissioner Ajami as to what actions are taken if a material weakness is discovered to ensure it does not happen again.

In response to a question from VP Moran, Ms. Avis responded that KPMG is satisfied with corrective actions being taken.

Public Comment

- Francisco DaCosta expressed the need for transparency and accountability. He discussed the audit findings and the investigation of the former GM.*
- Ali Altaha expressed shock that the audit indicated no material financial impact of corruption. He discussed the cost of business in a fraudulent environment.*

7. Report of the General Manager

a) Water Supply Conditions Update

Steve Ritchie, Assistant General Manager (AGM) Water, reviewed (1) March 1, 2021 reservoir storage, (2) other California reservoir conditions, (3) Hetch Hetchy precipitation, (4) upcountry snowpack, (5) water available to the City, (6) Tuolumne River water available to the City, (7) upcountry six-station precipitation index and Bay Area seven-station precipitation index (both as of February 28, 2021), (8) national precipitation forecast, and (9) total deliveries.

AGM Ritchie responded to a question from Commissioner Ajami regarding total deliveries and the February 2020 peak and regarding the water content of snowpack.

No public comment.

b) Alternative Water Supply Planning Quarterly Report

AGM Ritchie began with a discussion of the Alternative Water Supply Planning Program roadmap (2020 through 2028), noting Alternative Water Supply Plan in 2023 and Alternative Water Supply decisions in 2028.

He indicated purified water and storage are significant part of the strategy to build resiliency with the Alternative Water Supply Program (1) Purified Water Projects (the Daly City Recycled Water Expansion, Crystal Springs Purified Water, and Alameda County Water District-USD Purified Water, and (2) Storage Projects (Calaveras Reservoir expansion, and Los Vaqueros Reservoir expansion).

AGM Ritchie indicated that four purified water pathways are being considered in SFPUC's planning (1) groundwater recharge, (2) reservoir augmentation, (3) raw water augmentation, and (4) treated water augmentation.

AGM Ritchie reviewed (1) accomplishments and planning for Regional Water Supply Projects (Daly City Recycled Water Expansion, Crystal Springs purified water, and ACWD-USD purified water); (2) storage projects in the AWS program; (3) Regional Storage Projects (Los Vaqueros expansion and Calaveras expansion); (4) SFPUC's participation in Los Vaqueros expansion (planning assumptions); and (5) estimated 2021 decision timeline.

VP Moran thanked AGM Ritchie for his re-formatting of the report. He indicated the third water workshop will give increased context and meaning for water supply planning.

AGM Ritchie responded to a question from Commissioner Ajami as what portion of water can come from the projects. Brief discussion ensued.

AGM Ritchie responded to a question from President Maxwell as to whether there are any short or mid-term projects being investigated.

Public Comment

- *Nicole Sandkulla, BAWSCA, thanked staff for their work on the Alternative Water Supply Plan. She indicated BAWSCA supports the development of alternate water supplies to meet obligations to wholesale customer supply needs. She noted the difficulty of implementing a pilot water transfer project.*
- *Peter Drekmeier, Tuolumne River Trust, thanked the Commission for focusing on alternative water supplies. He expressed opposition to the report indicating the need for 98MGD to meet future demand and Bay Delta flows. He disused demand projections and suggested a water auditor be hired.*
- *Susan (inaudible) stated fresh water is essential to live and expressed concern with water availability. She noted the availability of water goes beyond the Bay Area and that she doesn't want water wars.*

c) Hetch Hetchy Capital Improvement Program (HCIP) Quarterly Report

Katie Miller, Director, Water Capital Programs, noted that as of December 2020 HCIP has expended \$178M and is 36% complete. She reviewed the HCIP cost summary and the HCIP program schedule summary, noting of the 11 active projects five are on schedule, one exceeds two-to-six months, and five exceed six months.

She reviewed progress and status for the Moccasin Powerhouse and Generator Set-up Rehabilitation, O'Shaughnessy Dam Outlet Works Phase I, Mountain Tunnel Improvements, San Joaquin Pipeline Valve and Safe Entry Improvement, Moccasin Reservoir Perimeter Security Fence Project, and Moccasin Penstock.

Director Miller responded to a question from President Maxwell as to opportunities to install smart meters/instruments to gain access and information to difficult to reach areas and generators. VP Moran noted generators do have vibration monitors and partial discharge analysis that look for electrical leakage.

VP Moran requested that former Commissioner Caen be sent photos of the Calaveras Dam.

No public comment.

d) Wastewater Enterprise Capital Improvement Program Quarterly Report Including Southeast Area Major Projects Update (1) Biosolids, (2) Headworks, and (3) 1550 Evans Southeast Community Center

Stephen Robinson, Wastewater Enterprise Capital Program Director, began with brief construction updates for Baker Beach Green Streets, Force Main Rehabilitation at Embarcadero and Jackson, and Oceanside Plant Gas Utilization Upgrade. He reviewed the Sewer System Improvement Program (SSIP) Phase I status as of December 2020, noting the project is 42.2% complete. He reviewed the SSIP and facilities and infrastructure status cost summaries and noted capital program highlights.

Ben Poole, Acting Workforce & Economic Program Services Director, provided the SSIP Workforce/Project Labor Agreement update (as of December 2020) indicating that 35% of labor ours are worked by San Francisco residents (30% requirement) and that 64% of apprentice labor hours are worked by San Francisco residents (50% requirement), and he noted the hours performed by craft.

Director Robinson reviewed progress and status for the Southeast Plant Biosolids Digester Facilities Project, Southeast Plant New Headworks Facility Project, and Southeast Community Center 1550 Evans.

Commissioner Paulson thanked Director Robinson for the report and noted they are helpful. He expressed pleasure with the local workforce percentages and workforce development work.

Commissioner Harrington thanked Director Robinson for the presentation and the work being done and for the sensitivity for the work on Mission Street.

Public Comment

- *Ali Altaha asked that the Commission look at the list of LBE's that have been allowed to participate in these contracts and stated that the pool is being limited.*

e) Business Services Racial Equity Action Plan

Acting GM Carlin introduced the item. He noted that each enterprise/bureau will present their individual plan, with Business Services being the first. Eric Sandler, CFO and AGM Business Services, started off the Business Services presentation with a brief introduction and review of the topics to be presented (1) Business Services Racial Equity Action Planning Process, (2) learnings from the planning process, (3) proposed plan and implementation, and (4) progress and next steps. CFO Sandler noted that staff will take turns presenting their plan.

Business Services Racial Equity Planning: Process and Learnings: Presented by Brandon Nelson. Weekly three-hour planning workshops were conducted for six weeks to review the Racial Equity Action Plan. Impressions received from the team were: (1) need to take time to do the work, (2) need to develop a shared understanding of racial equity, (3) need staff input to validate plan, and (4) need consultant experience to encourage freedom to speak openly.

Business Services Racial Equity Planning: Outcomes: Presented by Brandon Nelson. Completed first draft of Racial Equity Action Plan template (required by Ordinance no. 188-19). First draft of Business Services Racial Equity Program consists of Modules: Module 1 - Culture of Inclusion and Belonging; Module 2 – Current Staff – Career Growth and Access to Opportunity; and Module 3 – External Candidates – Barriers to Entry.

Module 1 - Culture of Inclusion and Belonging: Presented by Nancy Hom. Educate all managers and supervisors on racial bias, foster employee engagement, and build mentorship programs for all Business Services.

Module 2 – Current Staff – Career Growth and Access to Opportunity: Presented by Marge Vizcarra. Support professional development and career growth, improve mobility and access to opportunity, and reduce performance barriers.

Module 3 – External Candidates – Barriers to Entry: Presented by Charles Perl. Address barriers to entry, and build pipeline for a diverse workforce (internship program)

Draft implementation Plan: Presented by Tricia Yang. Proposed phases: Phase 1: Set-up, Phase 2: Engage, Phase 3: Plan, Phase 4: Deliver, and Phase 5: Access and monitor.

CFO Sandler thanked the presenters. He discussed progress and next steps.

Commissioner Ajami thanked staff for their presentation. CFO Sandler and Ms. Yang responded to a question from Commissioner Ajami as to whether the team has contacted other entities that have been successful and if there are any lessons learned.

Commissioner Paulson indicated he is pleased the Plan is moving forward.

Acting GM Carlin thanked the team for the presentation, reiterating his report the first of many. He noted the SFPUC has 2,300 employees over seven counties, and that the SFPUC is working with other entities as to their work and that the funding for this needs to remain in budget.

Public Comment

- Ali Altaha asked what inclusion is being discussed and that the current situations need to be examined.
- Francisco DaCosta stated the presentation was made by novices. He stated that Title VI needs to be read and that a change is needed.

- f) Report on Recent San Francisco Public Utilities Commission Activities, Events and Announcements
None.

8. New Commission Business
None.

The Commission secretary read the Consent Calendar summary and indicated that a member of the public requested that items 9a, b, e, and g be removed for discussion.

9. Consent Calendar

- a) Approve Modification No. 1 to Job Order Contract, JOC-50R2, HVAC Energy Efficiency (C-20-License) for San Francisco, San Mateo, Santa Clara and Alameda Counties, with ACCO Engineered Systems, Inc., to complete ongoing HVAC facility and asset improvements, increasing the contract duration by three years, for a total contract duration of five years, with no change in contract amount, in accordance with San Francisco Administrative Code 6.62. ([Resolution 21-0036](#))
- b) Approve Modification No. 2 to Job Order Contract, JOC-76R, General Engineering (A-License) for San Francisco, San Mateo, Santa Clara and Alameda Counties, with Anvil Builders, Inc., to complete ongoing facility and asset improvements, increasing the contract amount by \$2,500,000 for a total not-to-exceed contract amount of \$7,500,000 with no change in contract duration, in accordance with San Francisco Administrative Code 6.62. ([Resolution 21-0037](#))
- c) Accept work performed by Integra Construction Services, Inc. for Contract No. WD-2818, Sunol Valley Water Treatment Plant Supervisory Control and Data

Acquisition Server Room for a total contract amount of \$1,021,168, and a total contract duration of 652 consecutive calendar days; and authorize final payment to the contractor. ([Resolution 21-0032](#))

- d) Accept work performed by Precision Engineering Inc. for Contract No. WW-631, Crocker Amazon/Excelsior/Ingleside Sewer Replacement and Pavement Renovation; approve Modification No. 5 (Final), decreasing the contract amount by \$471,882, for a total contract amount of \$10,289,753, and increasing the contract duration by 44 consecutive calendar days, for a total contract duration of 746 consecutive calendar days; and authorize final payment to the contractor. ([Resolution 21-0033](#))
- e) Approve an increase of 96 calendar days to the contract duration contingency for Contract No. WW-696, Cargo Way Flush Line; and authorize the General Manager to approve future modifications to the contract for a total contract duration of up to 536 consecutive calendar days with no change to contract amount. ([Resolution 21-0038](#))
- f) Approve the plans and specifications, and award Contract No. WW-698, As-Needed Spot Sewer Replacement No. 41, in the amount of \$8,155,118, and with a duration of 400 consecutive calendar days to the responsible bidder submitting the lowest responsive bid, J. Flores Construction Company, Inc. to replace sections of existing sewer piping, on an as-needed basis, at locations to be determined throughout the City of San Francisco. ([Resolution 21-0034](#))
- g) Approve an increase of \$739,624 to the contract cost contingency for Contract No. WW-700, As-Needed Sewer Cleaning and Inspection (FY21), with Pipe and Plant Solutions, Inc.; and authorize the General Manager to approve future modifications to the contract for a total contract amount of up to \$2,773,588, with no change to the contract duration. ([Resolution 21-0039](#))
- h) Approve Amendment No. 1 to Agreement Nos. PRO.0114.A-D, As-Needed Support Services for Hetch Hetchy Water and Power, with AECOM/WRE, JV (PRO.0114.A), LEE Incorporated (PRO.0114.B), Mott MacDonald/Dabri JV (PRO.0114.C), and Stantec/JHCE, JV (PRO.0114.D), and authorize the General Manager to execute these amendments increasing each agreement amount by \$2,500,000, for a total not-to-exceed amount of \$7,500,000 per agreement, with no change to the duration of each agreement. ([Resolution 21-0035](#))

Public comment on Consent items 9c, d, f, and h.

- *Ali Altaha stated he requested items 9c, d, f, and h be removed for discussion. He indicated there is a disregard for the LBE Program by the Contract Monitoring Division (CMD). He stated the LBE program is fraudulent and that staff need to be directed to include a complete list of LBE's.*

*On motion to approve Consent items 9c, d, f, and h:
Ayes: Maxwell, Moran, Paulson, Harrington and Ajami*

No public comment on Consent items 9a, b, e, and g.

President Maxwell requested that CMD staff provide information on the items removed from the Consent Calendar items 9a, b, e, and g which were removed for discussion.

Romulus Asenloo, CMD, provided the following information Consent items 9a, b, g, and e, which were removed for discussion.

9a: JOC-50R2: Modification for time extension only. The need to document approval is not necessary per Ordinance. Only \$15,000 expended thus far out of a \$5M contract.

9b: JOC-76R: CMD has provided detailed CMD modification memo to the SFPUC which lists the LBE sub-participation requirement of 13% and a current LBE percentage to-date achieved which meets requirement.

9e: WW-696: Modification for time extension. The need to document approval is not necessary per Ordinance.

9g: WW-700: Request for increase of contingency and giving permission to the GM to expend additional funds if needed for contract modification. If a modification does occur, CMD would provide a memo per Ordinance.

Kathy How, AGM Infrastructure, responded to a question from Commissioner Ajami regarding the need for contingency on item 9g and a follow-up question as to how long it takes an item to come before the Commission for approval.

*On motion to approve Consent items 9a, b, e and g
Ayes: Maxwell, Moran, Paulson, Harrington and Ajami*

10. Approve the Project Learning Partnership Grant Program and Program Rules; and authorize the General Manager to solicit applications, award, and execute up to 20 Project Learning Partnership Grant Program (PRO.0195(G)) grant agreements with qualified local community-based non-profit organizations to fund implementation of SFPUC-developed project based curriculum into those organizations' existing after-school, out-of-school, or in-school programs for youth and young adults and provide paid stipends for youth participants, with a not-to-exceed grant amount of \$105,000 per grant and a duration of three years per grant, for a total program expenditure not to exceed \$1,800,000 over the three-year period (\$600,000 per year). ([Resolution 21-0040](#))

Ronnie Versher noted the project learning grant changes lives and demonstrates commitment to community. He introduced Simone Hudson who provided a program overview, noting the Project Leadership Partnership Grant Program supports existing

summer and academic-year youth programs to integrate project-based learning on water, power and sewer concepts and develop civic and environmental awareness in youth. She noted the program is project-based with learning on water, power and sewer. She reviewed successes to-date, noting since 2012 more than 3,000 youth have engaged in meaningful projects through the program. Ms. Hudson said the program has adapted during COVID-19. She discussed program outcomes and key program metrics and the new grant cycle with will have a competitive bid process to award grants and that grantees will utilize funds to implement project-based learning and implement a youth survey to assess participant outcomes and accomplish other grant deliverables.

Mr. Versher responded to a question from President Maxwell as to how the program is doing upcountry, indicating the program is focused on grantees located in San Francisco, but noted they are looking to expand to Tuolumne County.

Commissioner Harrington stated that part of the program is about awareness and part is about careers. In response to a question from Commissioner Harrington, Mr. Versher indicated that staff works closely with Baywork.

Commissioner Paulson thanked staff for their presentation. He discussed the importance of workforce development, funding, and the need to know who is involved in workforce development programs.

In response to questions from VP Moran, Ms. Hudson and Mr. Versher indicated that the grants will be funding existing programs and that funding will allow more youth in the existing programs related to the SFPUC.

Responded to a question from Commissioner Ajami as to whether there is tracking of those who participated in the program to see if they are continuing onto careers in the field. Brief discussion ensued.

Commissioner Harrington proposed the following amendments, to be added at the end of the resolution:

FURTHER RESOLVED, That in administering this grant program, SFPUC shall work closely with the SFPUC-founded Baywork Initiative; and be it

FURTHER RESOLVED, That the General Manager is directed to provide the Commission with periodic written reports on this program, at least annually, including the names of organizations receiving these grants and the amounts granted, along with indicators of performance by the grantees.

Public Comment

- Ali Altaha discussed a SFPUC employee's dissatisfaction with her work. President Maxwell asked Mr. Altaha to speak to the Project Learning Partnership Grant Program. Mr. Altaha indicated he was providing an example of a grant project that went nowhere.*

- *David Pilpel questioned if Charter Section 4.104(a)(1) regarding 10-day prior notice for rules and regulations apply for this item. City Attorney Gessner replied it does not apply to this item.*

On motion to approve amendments to item 10:

Ayes: Maxwell, Moran, Paulson, Harrington and Ajami

On motion to approve Item 10 as amended:

Ayes: Maxwell, Moran, Paulson, Harrington and Ajami

11. Approve the rehabilitation of the existing Southeast Lift Station and odor control facility for the Southeast Water Pollution Control Plant New Headworks Facility Project; approve Modification No. 4 to Contract No. WW-628, Southeast Water Pollution Control Plant New Headworks Facility Project, a Construction Manager/General Contractor agreement, with Sundt-Walsh Joint Venture, increasing the contract amount by \$91,749,642, for a total contract amount of \$490,251,749, with no change to the contract duration; and authorize the General Manager to proceed with the construction phase of the rehabilitation of the existing Southeast Lift Station and revised odor control facility. ([Resolution 21-0041](#))

Jignesh Desai, Senior Project Manager, discussed Southeast Plant (SEP) New Headworks Facility Project objective, scope of work, scope evolution, Scope III Main Headworks progress, and SEP New Headworks Facility Project Modification Request No. 4.

On motion to approve Item 11:

Ayes: Maxwell, Moran, Paulson, Harrington and Ajami

Public Comment

- *Ali Altaha discussed the LBE's noted in the agenda item materials.*
- *David Pilpel noted that the resolution for item 10, paragraph five has an incorrect date. He indicated the staff report for item 11 refers to an environmental document dated January 20, 2021 but that it is not attached and can't be found on the Planning Department website. He requested environmental documents be referenced by case number and linked or attached.*

12. Accept work performed by Azul Works, Inc. for Contract No. WD-2799, Cathodic Protection for 24-inch and 36-inch Diameter Steel Pipe Transmission Main of College Hill System Phase III; approve Modification No. 1 (Final), decreasing the contract amount by \$146,685 for a total contract amount of \$693,740, and a total contract duration of 225 consecutive calendar days; and authorize final payment to the contractor. ([Resolution 21-0042](#))

Mr. Howard Fung, Manager, Project Management Bureau, introduced the item and requested approval.

On motion to approve Item 12:

Ayes: Maxwell, Moran, Paulson, Harrington and Ajami

Public Comment

- *Ali Altaha disused Azul Works, Inc. and the LBE's noted on the agenda materials.*

The Commission Secretary read the Closed Session items prior to calling for public comment.

13. Public comment on matters to be addressed during Closed Session.
None.
14. Motion on whether to assert the attorney-client privilege regarding the matters listed below as Conference with Legal Counsel.

On motion to assert the attorney-client privilege:

Ayes: Maxwell, Moran, Paulson, Harrington and Ajami

The Commission entered Closed Session at 5:22 PM.

Present in Closed Session: All items: Commissioners Maxwell, Moran, Paulson, Harrington and Ajami, Michael Carlin, Acting General Manager, Francesca Gessner, Deputy City Attorney, Eric Sandler, Chief Financial Officer, Donna Hood, Commission Secretary, and Lee Sayao, SFPUC IT; Item 15: Steve Ritchie, SFPUC Water Enterprise; Item 17: Barbara Hale, SFPUC Power Enterprise, Pam Husing, SFPUC Power Enterprise, Tyler Gamble, SFPUC Communications, Theresa Mueller, Deputy City Attorney.

CLOSED SESSION

15. CONFERENCE WITH LEGAL COUNSEL – Pursuant to California Government Code, Section 54956.9(d)(2), and San Francisco Administrative Code, Section 67.10(d)(1)
Unlitigated Claim
Luis Hernandez v. City and County of San Francisco/Unlitigated File No.: 20-01802
Date Filed: 12/18/2020
Proposed settlement with City to pay claimant \$65,602 and claimant to release all claims. (Resolution 21-0043)
16. CONFERENCE WITH LEGAL COUNSEL – Pursuant to California Government Code, Section 54956.9(d)(2), and San Francisco Administrative Code, Section 67.10(d)(1)
Unlitigated Claim
Farmers Insurance Exchange a/s/o Joe Espinosa v. City and County of San Francisco/Unlitigated File No.: 20-01571/Date Filed: 01/17/2020
Proposed settlement with City to pay claimant \$60,000 and claimant to release all claims. (Resolution 21-0044)
17. Conference with Legal Counsel – Pursuant to California Government Code, Section 54956.9(a), and San Francisco Administrative Code, Section 67.10(d)(1)

Conferring with, or receiving advice from, the City Attorney regarding the following existing litigation in which the City is a petitioner and Pacific Gas & Electric Company is an adverse party: In re: PG&E Corporation and Pacific Gas & Electric Company, United States Bankruptcy Court, Northern District of California, Case No. 9-30088-DM, filed January 29, 2019; Federal Energy Regulatory Commission Case No. EL 19-38- 000, filed January 28, 2019; Federal Energy Regulatory Commission Case No. ER18- 1482-000, filed April 30, 2018; Federal Energy Regulatory Commission Case No. ER18-1102-000, filed March 15, 2018; Federal Energy Regulatory Commission Case No. ER18-790-000, filed, February 2, 2018; Federal Energy Regulatory Commission Case No. ER18-768-000, filed January 31, 2018; Federal Energy Regulatory Commission Case No. ER18-198-000, filed October 31, 2017; Federal Energy Regulatory Commission Case No. ER17-2406-000, filed August 31, 2017; Federal Energy Regulatory Commission Case No. ER17-2181-000, filed July 31, 2017; Federal Energy Regulatory Commission Case No. ER17-2204, filed July 31, 2017; Federal Energy Regulatory Commission Case No. ER17-1509-000, filed May 1, 2017; Federal Energy Regulatory Commission Case No. ER17-910-000, filed January 31, 2017; Federal Energy Regulatory Commission Case No. EL 15-3-000, filed October 10, 2014; Federal Energy Regulatory Commission Case No. ER15-702-000, filed December 23, 2014; Federal Energy Regulatory Commission Case No. ER15-703- 000, filed December 23, 2014; Federal Energy Regulatory Commission Case No. ER15-704-000, filed December 23, 2014; Federal Energy Regulatory Commission Case No. ER15-705-000, filed December 23, 2014; Federal Energy Regulatory Commission Case No. ER15-735-000, filed December 23, 2014; California Public Utilities Commission Case No. 1.15-08-019, filed February 25, 2015; California Public Utilities Commission Case No. R.18-10-007, filed October 25, 2018; California Public Utilities Commission Case No. R.19-01-006, filed January 10, 2019; and California Public Utilities Commission Case No. R.19-09-016, filed January 10, 2019.

The Commission exited Closed Session at 6:34 PM.

18. Announcement following Closed Session.

President Maxwell announced that the Commission recommended the Board of Supervisors resolve and settle the unlitigated claims for items 15 and 16.

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

On motion not to disclose discussions during Closed Session:

Ayes: Maxwell, Moran, Paulson, Harrington and Ajami

20. Adjournment

President Maxwell adjourned the meeting at 6:35 PM.

