SAN FRANCISCO PUBLIC UTILITIES COMMISSION
City and County of San Francisco

Edwin M. Lee
MAYOR

AGENDA
Tuesday, May 10, 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. 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.sfwater.org/index.aspx?page=167](http://www.sfwater.org/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 94102.4689; by phone at 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](http://www.sfgov.org).

**311 Free Language Assistance:** Free Language Assistance / 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 / ภาษาไทย / ช่วยเหลือ / gratuits / Libreng tulong / Ayuda gratuita / Бесплатная помощь.

**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](http://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.sf-planning.org/index.aspx?page=3447](http://www.sf-planning.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 April 26, 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) PG&E Retail Rate Changes, March 2016
   d) Water System Improvement Program Status of Construction Change Orders

6. Other Commission Business

7. Citizens’ Advisory Committee Resolutions (Aragon)

   a) Employee Retirement: Herbert Dang (Moala)
   b) Drought Update (Ritchie)
   c) CleanPowerSF Update (Hale)
   d) Update on Outreach and Engagement for the Southeast Community Facility and Greenhouses (Ellis)
   e) Update on State Legislation Regarding CalEnviroScreen (Ellis)
   f) Water Enterprise Capital Improvement Program Quarterly Reports (How)
   g) Quarterly Budget Status Report (Sandler)
   h) Quarterly Audit and Performance Review Report (Hom)

   • FY 2014-15 Wholesale Revenue Requirement, Statement of Changes in Balancing Account
   • FY 2014-15 City and County of San Francisco Basic Financial Statements and Single Audit Report
   • WSIP: Sunol Valley Water Treatment Plant Change Order Review

9. Water System Improvement Program Quarterly Update and Report (Wade)
   • Regional Report
   • Local Report

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
10. 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) **Accept** work performed by NTK Construction, Inc., for **Contract No. WW-525**, Southeast Water Pollution Control Plant Northside Facility Reliability Upgrades Phase II, for a total contract amount of $12,948,553; **Approve** Modification No. 13 (Final), *extending the contract duration by 231 consecutive calendar days* (eight months) for a total contract duration of 1,237 consecutive calendar days (three years and five months); and **authorize** final payment to the contractor. (How)

b) **Approve** the plans and specifications and **award Contract No. WW-570**, Oceanside Water Pollution Control Plant and Westside Pump Station HVAC Upgrades, *in the amount of $6,138,000*, to the lowest, qualified, responsible and responsive bidder, Blocka Construction, Inc., to replace and upgrade the existing deficient and deteriorated Heating, Ventilation, and Air Conditioning systems and associated equipment at Oceanside Water Pollution Control Plant and Westside Pump Station. (How)

c) **Approve** the plans and specifications and **award Contract No. WW-623**, SOMA/Bernal Heights/Excelsior Districts Sewer Replacement and Pavement Renovation, *in the amount of $5,476,828*, to the lowest, qualified, responsible and responsive bidder, Precision Engineering, Inc., to replace the existing sewers and street pavement on the subject streets in San Francisco. This proposed action constitutes the Approval Action for the project for purposes of the California Environmental Quality Act, pursuant to Section 31.04(h) of the San Francisco Administrative Code. (How)

**REGULAR SESSION**

11. **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)

12. **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)

13. **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)

14. **Consider and adopt** the proposed [Wholesale Revenue Requirement and rate schedule for FYE 2017](#), as applied to meter readings on or after July 1, 2016. This rate schedule reflects the terms of the 2009 Water Supply Agreement between the City and County of San Francisco and the Wholesale Customers, which was approved on April 28, 2009 by Commission Resolution No. 09-0069. (Sandler)

15. **Public Hearing: Discussion** of the [Draft 2015 Urban Water Management Plan](#) (UWMP) for the City and County of San Francisco. The Commission will consider approval of the UWMP at the June 14, 2016 Commission meeting. (Ritchie)

16. **Approve Amendment No. 2 to Agreement No. CS-968**, Environmental Analysis Services for the Upper Alameda Creek Filter Gallery Project (now the Alameda Creek Recapture Project), with Environmental Science Associates, to provide environmental analysis services and permitting support; and **authorize** the General Manager to execute this amendment, with a **time extension of one year and 11 months**, for a total agreement duration of eight years and two months, with no change to the agreement amount. (How)

17. **Authorize** the General Manager to execute, on behalf of the City and County of San Francisco, a [Memorandum of Agreement with the United States Department of the Interior](#), National Park Service Yosemite National Park, for an **amount not to exceed $12,500,000**, and with a **duration of two years**, which will allow for comprehensive management, collaborative environmental stewardship studies, and security for the Yosemite National Park watersheds that supply water to the San Francisco Regional Water System. (Ritchie)

18. **Authorize** the General Manager to negotiate and execute an [Extension Agreement to apply the terms of the Water System Improvement Program Project Labor Agreement to Sewer System Improvement Program (SSIP)](#)
projects, and to the Auxiliary Water Supply System Pumping Station 2 project, for contracts awarded after May 10, 2016, per modified terms that: (1) update the list of arbitrators; (2) update the jurisdictional dispute resolution procedures and exemptions for work covered by national agreements; (3) exempt: (a) SSIP Micro Local Business Enterprise (LBE) Set Aside awards to a Micro LBE contractor; and/or (b) LBE subcontractors when awarded and/or listed to perform work, until such time that the aggregate total of the work for which the Micro LBE prime contractor and/or LBE subcontractor is awarded and/or listed totals five million dollars ($5,000,000) or more across all SSIP projects covered by the terms of the Extension Agreement; and (4) update the construction trucking section to be consistent with the requirements of California prevailing wage law. (How)

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

20. 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:

21. Conference with Legal Counsel – Pursuant to California Government Code Section 549569. (d) (2) and San Francisco Administrative Code Section 67.10 (d) (2) (Ambrose)

Anticipated Litigation as Defendant

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) (Ambrose)

Existing Litigation
Matt Pear et al v City and County of San Francisco, Court of Appeals, Sixth Appellate District
Date Filed: July 5, 2012
City Attorney File No.: 130094

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

Property: 1653 – 1657 Rollins Road, San Francisco

Persons Negotiating:
SFPUC: Michael Carlin and Rosanna Russell
Seller: Clemco Properties, LLC

Under Discussion ___ Terms of Payment ___ Price ___ Both ___ X___

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) (Ambrose)

Unlitigated Claim
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)
   
   **Unlitigated Claim**
   
   *Tamsyn Waterhouse v. City and County of San Francisco*
   
   City Attorney File No.: 15-03175
   
   Date Filed: June 6, 2015

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**
   
   *Restore Hetch Hetchy v. City and County of San Francisco*
   
   Tuolumne County Superior Court, Case No.: CV-59426
   
   City Law Number 151139/Date Filed: April 21, 2015

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:**
   
   *City and County of San Francisco v. Pacific Gas & Electric*
   
   Federal Energy Regulatory Commission
   
   Case No.: EL15-3-000/Date Filed: October 10, 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
   
   Tariff Withdrawal per 35.15: Notice of Termination of The 1987 CCSF Facilities Charge Agreement for Moscone to be effective June 30, 2015.
   
   Case No.: ER15-703-000/Date Filed December 23, 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)

   **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

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)
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

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)

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

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)

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

33. 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

34. Announcement following Closed Session

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

36. Other New Business

37. 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 (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.
NOTICE OF PUBLIC HEARING

NOTICE OF PUBLIC HEARING 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 (SFPUC), the governing board of the publicly owned utility operations of the City and County of San Francisco: Notice is hereby given that the SFPUC will conduct a public hearing to consider the Draft 2015 Urban Water Management Plan (UWMP) for the City and County of San Francisco. 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.

All interested parties are invited to attend the public hearing and present their views. Persons who are unable to attend the public hearing may also submit to the City, by the time the proceedings begin, written comments regarding the subject of the hearing. These comments will be brought to the attention of the Commission and will become part of the official public record. Written comments can be sent to Donna Hood, Commission Secretary, SFPUC, 525 Golden Gate Ave., 13th Floor, SF, CA 94102. The Draft 2015 UWMP can be viewed and printed from the SFPUC website at www.sfwater.org/localwater (or enter “UWMP” in the search field located in the upper right hand corner of the homepage). A copy of the document is also available for review at the SF Public Library, Government Information Center, 5th Floor, 100 Larkin St., SF, CA 94102.

AVISO DE AUDIENCIA PÚBLICA martes, 10 de mayo, 2016 a la 1:30 pm
Ayuntamiento de la ciudad, salón 400, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102, durante una reunión ordinaria de la Comisión de Utilidades Publicas de San Francisco (SFPUC), el consejo de administración de las operaciones de utilidades públicas de la ciudad y condado de San Francisco: Por la presente se notifica que la SFPUC llevará a cabo una audiencia pública para considerar el Plan de Administración de Aguas Urbanas del 2015 para la ciudad y condado de San Francisco. La agenda detallada y otra documentación relevante estará disponible por lo menos 72 horas antes de la reunión programada en el sitio web de la SFPUC www.sfwater.org, o llamando al (415) 554-3165.

公聽通告 2016年 5月10日星期二 - 三藩市 Dr. Carlton B. Goodlett Place 一號市政廳四樓400號房，
三藩市縣及市政府屬下公營水電管理機構三藩市水利局委員會舉行之例會中，特此通告
將考慮
2015年三藩市縣及市政府城市供水管理計劃草案，議程細節及有關檔案將於預定會議開始
前最少 72小時在三藩市水力局網址www.sfwater.org 提供，也可致電
查詢 (415) 554-3165。
San Francisco Public Utilities Commission