



San Francisco
Water Power Sewer

Services of the San Francisco Public Utilities Commission

SAN FRANCISCO PUBLIC UTILITIES COMMISSION
City and County of San Francisco

Edwin M. Lee
MAYOR

AGENDA
Tuesday, March 14, 2017

1:30 P.M.
1 Dr. Carlton B. Goodlett Place
City Hall, Room 400
San Francisco, CA 94102

Commissioners

Anson Moran, President
Ike Kwon, Vice President
Ann Moller Caen
Francesca Vietor
Vince Courtney

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.

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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>.

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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 soft@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 / Trợ giúp Thông dịch Miễn phí / Assistance linguistique gratuite / 無料の言語支援 / 무료 언어 / 지원 / คว"มขวั ยเหลือี ท"งภ"ษ"โดยไม่ว"สัยคาไขจ้ าย / Libreng tulong para sa wikang Tagalog ยเหลือี

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.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 February 28, 2017](#)
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) [Correspondence Log](#)
 - c) [Contract Advertisement Report](#)
 - d) [Annual Energy Storage Procurement Policy](#)
 - e) [Sewer Inspection and Replacement Update](#)
 - f) [Alameda Creek Watershed Center Update](#)
6. Other Commission Business
7. Report of the General Manager
 - a) CleanPowerSF Update (Hale)
 - b) [Quarterly Audit and Performance Review Report](#) (Sandler)
 - i. [California Independent System Operator, Scheduling Coordinators Self-Audit](#)
 - ii. [Pacific Gas and Electric Franchise Fee Audit](#)
 - iii. [NRG Energy Center Franchise Fee Audit](#)
 - iv. [Sales and Use Tax Audit](#)
 - v. Community Benefits, Phase II: Commitments in Contracts
 - c) [Hetch Hetchy Water and Power Enterprise Capital Improvement Program \(CIP\) Quarterly Report](#) (How)
 - d) [Wastewater Enterprise CIP Quarterly Report](#) (How)
 - e) [Sewer System Improvement Program Update](#) (How)
8. [Central Bayside Tunnel](#) (How)

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 an additional time extension to the previously approved construction contract duration contingency for [Contract No. WD-2548](#), Lake Merced Pump Station Essential Upgrades Project, with Western Water Constructors, Inc., of up to 639 consecutive calendar days** (approximately one year and nine months); and **authorize** the General Manager to approve **future modifications to the contract for a total revised contract duration up to 3,044 consecutive calendar days** (approximately eight years and four months). The requested time extension is needed to continue investigation and monitoring of the electrical reliability of the station's pump starter equipment and to coordinate with the equipment vendor to make any necessary modifications and/or repairs. (How)
- b) **Accept** work performed by Cal State Constructors, Inc., for [Contract No. WD-2685](#), Auxiliary Water Supply System Reservoir and Tanks Improvement (2013); **Approve** Modification No. 24 (Final), **decreasing the contract by \$1,340**, for a total contract amount of \$9,505,582; and **authorize** final payment to the contractor. (How)
- c) **Approve** the plans and specifications, and **award [Contract No. WW-650](#)**, Foerster Street Auxiliary and Mangels/Hearst/Detroit Sewer Replacement, **in the amount of \$3,112,150**, to the lowest, qualified, responsible and responsive bidder, Precision Engineering, to perform sewer capacity improvements, paving work, and traffic routing along the subject streets. (How)
- d) **Ratify correction of the contract award amount** associated with Resolution No. 17-0037, adopted by the Commission on February 28, 2017, which awarded [Contract No. WW-653](#), Marin Street Sewer Replacement, **from \$4,762,200 to \$4,860,250**. The agenda Item referenced the correct contract award amount of \$4,860,250, however, the Resolution incorrectly referenced a contract amount of \$4,762,200. (How)

REGULAR CALENDAR

10. **Approve the [Water Supply Assessment for the proposed Biosolids Digester Facilities Project](#)**, pursuant to the State of California Water Code Section 10910 *et seq.* and California Environmental Quality Act Section 21151.9 and CEQA Guidelines Section 15155. (Ritchie)
11. **Authorize** the General Manager to execute a [Memorandum of Understanding with the Solano County Water Agency](#) to implement a High-Efficiency Clothes Washer Rebate Initiative to provide SFPUC customers with rebates for the purchase and installation of qualifying high-efficiency clothes washers, **for an amount not to exceed \$175,000, and with a total duration of 24 months** (two years). (Ritchie)

12. **Approve** the plans and specifications, and **award [Contract No. PW-006R](#)**, Tenderloin Pedestrian Lighting Improvement Project, **in the amount of \$2,430,260**, to the lowest, qualified, responsible and responsive bidder, Bay Area Lightworks, to install street light infrastructure on Larkin, Hyde, Leavenworth, Jones and Eddy Streets in San Francisco. (Hale)
13. **Award [As-Needed Power Operations Support agreements](#)** to Siemens Industry, Inc., (**PRO.0018.A**), and Utilicast, LLC (**PRO.0018.B**), to perform short-term, highly specialized work for the Power Enterprise; and **authorize** the General Manager to negotiate and execute **two professional services agreements, each for an amount not to exceed \$4,000,000, and with a duration of five years.** (Hale)
14. Public Comments on matters to be discussed in Closed Session.
15. 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:

16. Conference with Legal Counsel - Pursuant to California Government Code Section 54956.9 (d) (1) and San Francisco Administrative Code Section 76.10 (d) (2) (Ambrose)

Anticipated Litigation as Plaintiff

17. Conference with Legal Counsel - Pursuant to California Government Code Section 54956.9 (d) (3) and San Francisco Administrative Code Section 67.10 (d) (2) (Ambrose)

Anticipated Litigation as Defendant

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) (Ambrose)

Existing Litigation

Restore Hetch Hetchy v. City and County of San Francisco
California Court of Appeal, Fifth Appellate District Court: Case No. F074107
City Law No.: 151139/Date Filed: July 12, 2016

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) (Ambrose)

Existing Claim:

Recommended Partial Final Settlement

Material Terms: Payment of \$347,702 by SFPUC, for Claimant's agreement to complete Sewer Alignment Stitch Pier Repair at 266 Casitas Avenue, San Francisco.

Magzhi, Charleen

City Attorney Claim No.: 16-02226

Date Filed: February 17, 2016

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

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 6/30/15.

Case No.: ER15-702-000/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

Tariff Withdrawal per 35.15: Notice of Termination of The CCSF Facilities Charge Agreement for Moscone to be effective 6/30/15.

Case No.: ER15-703-000/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 Transmission Owner Tariff Replacement Agreements to be effective 7/1/15

Case No.: ER15-705-000/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

§205(d) rate filing per 35.13 (a)(2)(iii): City and County of San Francisco Wholesale

Distribution Tariff Replacement Agreements to be effective 7/1/15

Case No.: ER15-704-000/Date Filed: December 23, 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) (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

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

Following Closed Session, the Commission will reconvene in Open Session

26. Announcement following Closed Session.
27. Motion regarding whether to disclose the discussions during Closed Session.
28. **Adopt** a Resolution authorizing the General Manager requesting the Mayor and the Board of Supervisors approve a **Supplemental Appropriation in the amount of \$5,000,000** for the Wastewater Enterprise, for the purpose of paying claims, settlements, legal expenses, litigation costs, judgements and related expenses. (Sandler)
29. Other New Business.
30. Adjournment.

San Francisco Public Utilities Commission
525 Golden Gate Avenue, 13TH Floor
San Francisco, CA 94102