

**San Francisco Public Utilities Commission
Citizens' Advisory Committee**

Minutes

May 24, 2011 – As adopted July 26, 2011

5:30 p.m. – 7:00 p.m.

1155 Market Street, 4th Floor Conference Room

Members

Alex Lantsberg – Chair	Stephen Bjorgan	Jessica Patricia Buendia
Doug Cain	Donald R. Carmignani	Jennifer Clary
Walt Farrell	Richard T. Hansen	Winchell Hayward
Art Jensen	Terrence Jones	Mike Marshall
Dairo Romero	Laura Tam	

Member of the Public: Conny Ford

Staff: Lihmeei Leu

ORDER OF BUSINESS

1. Call to order

Chair Lantsberg called the meeting to order at 6:35 p.m. when the panel achieved quorum.

2. Roll Call

Present: Lantsberg, Bjorgan, Buendia, Cain, Clary, Farrell, Hansen, Jensen, Jones, Marshall, Tam

Absent: Carmignani, Hayward, Romero

At the request of AGM External Affairs Juliet Ellis, the agenda items were taken out of sequence. Item 6 will be followed by item 11, and subsequent agenda items will continue as noted.

6. Welcome new members & Introductions from:

Chair Lantsberg introduced the new members and asked those who were present to introduce themselves to the full Committee and to the staff.

Committee member S. Bjorgan said he has been in green energy field for five years and has a background as a general contractor, engineer and in real

Edwin M. Lee
Mayor

Francesca Viotor
President

Anson Moran
Vice President

Ann Moller Caen
Commissioner

Art Torres
Commissioner

Vince Courtney
Commissioner

Ed Harrington
General Manager



estate, which fits him well by serving CAC. Bjorgan was appointed by Mayor Lee and currently a member of the Power Subcommittee.

J. Buendia had laryngitis so S Bjorgan read her bio for her to everyone. Buendia has strong background on climate change, land use, transportation and environmental health. She had extensive experience in sustainability internationally. She was appointed by Supervisor Jane Kim.

T. Jones introduced himself as an entrepreneur and an experienced as real estate developer. He was appointed by District 10 Supervisor Melia Cohen.

M. Marshall is an Executive Director of Restore Hetch Hetchy and is interested in water issues. He was appointed by Supervisor Ross Mirkarimi.

D. Carmignani and D. Romero were absent so they would be asked to introduce themselves at the next meeting.

11. Community Benefits Program & Local Hire Ordinance Implementation – Juliet Ellis, Masood Ordikhani and Ivy Fine

Community Benefits Program Presentation: By AGM External Affairs Juliet Ellis

Hard copies of the presentation were distributed to members of the CAC at the meeting.

Ms. Ellis provided background on the Community Benefits Policy and updates on the Community Benefits Program progress. Ms. Ellis reported that the Community Benefits policy was developed in 2009 and adopted by the Commission in January 2011. Ms. Ellis also reported that the agency was the first public agency that adopted an Environmental Justice Policy, which will be incorporated in the implementation of the Community Benefits Policy.

Ms. Ellis said that the policy gave a mandate to the agency to develop a comprehensive and agency-wide program to better serve the community

Consultants were brought on board to help staff with this effort. Ms. Ellis said the consultants conducted comprehensive stakeholder outreach and a national study of other public utilities and then created an inventory of existing SFPUC Community Benefits. As a result, 10 categories of outcome were identified, Ms. Ellis said that the SFPUC will devote sufficient resources and authority to achieve outcomes. Local hiring will be part of the implementation of the Community Benefits. Ms. Ellis asked Masood Ordikhani, who has been involved in the local hire ordinance implementation, to present to the CAC Committee on local hire ordinance.

Ms. Ellis said the next steps for the community benefits are:

- 1) A final report will be completed by the end of May;

- 2) Develop and implement a Community Benefits Program to provide the community with a robust program of intersectional benefits such as jobs, education, arts, etc.
- 3) The program will be accessible, measured, monitored and reported publicly.

Ms. Ellis also invited the members to a joint-meeting of the SFPUC Commission and the Southeast Facility Commission on June 28 from 4-7 pm at the Southeast Facility at 1800 Oakdale to further understand what the agency is trying to do with the facility as part of the Community Benefits Program.

Local Hire Ordinance Presentation: By Community Benefits Manager Masood Ordikhani and Contract Administration Bureau Ivy Fine.

Hard copies of the presentation were distributed to members of the CAC at the meeting.

Mr. Ordikhani provided an overview of the ordinance and how it applies to SFPUC construction projects, the impacts to the community and the next steps. He mentioned that the old law required good faith efforts to hire S.F. residents to comprise 50% of contractor's new works. Ms. Ordikhani reported the new law, proposed by Supervisor Avalos, requires contractors to hire local residents and disadvantaged workers but exempt out of state workers and that the new law does not apply to current WSIP projects under Project Labor Agreement.

Mr. Ordikhani reported that the Office of Economic and Workforce Development (OEWD) would be responsible for enforcing the law and will join the Controller's Office to conduct periodic review every 3 years. The ordinance also provides financial and nonfinancial incentives to contractors and subcontractors for exceeding local hiring requirements and there is also penalties for non compliance.

Mr. Ordikhani said that the next steps will be to continue to work on the following areas:

- 1) Continue to work with regional agencies on reciprocity agreements;
- 2) Work with OEWD on implementing language for contracts constructed outside of the City;
- 3) Include provisions of Policy in every contract;
- 4) Collaborate with OEWD in monitoring and enforcement.

Follow up questions/comments from CAC members:

- Q. How are Community Benefits Program and Local Hire Ordinance connected?
 - A. The SFPUC looks at it as part of the workforce development and contract out Community-based organizations.
- Q. Local Hire Ordinance sounds like a contractors' nightmare. How do you enforce it?

- A. The agency will work affirmatively with contractors. The leverage is that if the contractors don't comply, they will face penalties. The agency is not the enforcement body, but OEWD is. It is going to be challenging. The agency will be working with contractors upfront to smooth out the process to ensure all the requirements and documents are in compliance.
- Q. What is the additional cost for the 2% arts set-aside for contracts?
 - A. Local Hire Ordinance only applies to construction contracts but not applies to arts components.
- Q. How do you track and monitor Community Benefits Program?
 - A. The agency intends to centralize and make it transparent through tracking and monitoring.
- Q. How does the public find out how the SFPUC invests in community? Is it available on the website?
 - A. The agency is still doing inventories and will make it available on the website once the information is finalized.
- Q. How many of the 2,000 SFPUC employees are local residents?
 - A. It is unconstitutional to ask employees to live locally.
- Q. How do you work with the OEWD to make sure the contractors are paid on time?
 - A. Contractors are required to submit documentations to comply with the local hire ordinance. The Contract Administration Bureau will assist the contractors with the procedures to make sure they are in compliance.
- Q. Will there be additional costs to ratepayers? What additional costs will be added to the contractors?
 - A. The agency has been benefitting from the current economy on receiving competitive bids. But it is not guaranteed whether it will be the same in the future.
- Q. How do you make sure the process is transparent?
 - A. The agency understands that it is sometimes difficult to contract with the City and that it is doing our due diligence given the circumstances.

Chair Lantsberg announced that he intend to reinstate the Environmental Justice subcommittee to Community Benefits/EJ subcommittee so that the CAC Committee can invite Ms. Ellis and other staff to brief us. Please let him know through staff.

3. Approval of the minutes of the March 22, 2011 meeting

R Hansen moved; L Tam seconded. Minutes approved by acclamation.

4. Public Comment

Conny Ford, San Francisco Labor Council Vice President for Political Activities said she was interested in finding out what the Community Benefits Program is and looked forward to partner with the SFPUC to better serve the community.

5. Report from the Chair

Chair Lantsberg followed up on the status of members. He reported he was working with Juliet, Catania and the Mayor's office to fill out the vacancies including:

- 1) A large SF water user;
- 2) Small business representative;
- 3) A regional or statewide environmental group.

Suggestions brought by members to work with BOMA, UCSF, etc for large SF water user.

Chair also confirmed with R Hansen on his intention to resign. R Hansen responded that he did intend to resign but wanted to wait till Supervisor Mar appoints his replacement.

Chair Lantsberg brought concerns from other members on whether J West needs to be present to be approved as the public member. Discussions followed and J Clary said since everyone knows J West and if no one feels uncomfortable to approve the resolution, the CAC Committee should proceed with the motion.

7. Review CAC Subcommittee assignments

Hard copies of the assignments roster were distributed to members on their Subcommittee assignments.

8. Staff update – See item 11.

9. Subcommittee Reports:

A. Water –

J Clary reported that the Subcommittee reviewed the Draft Urban Water Management Plan, and comments should be submitted by this Friday, May 27. In addition, there were discussions about water neutral development.

B. Power –

D Cain reported that presentation on LED streetlight was made to the Subcommittee and also the agency had gone out for debit financing for capital improvement.

Chair mentioned that GoSolarSF incentive program will be cut 40% and asked if the Power Subcommittee should consider taking a position on the program.

C. Wastewater –

L Tam reported that an annual report on flooding incidents was reviewed. Tam said that the annual report mentioned that during storm season, SFPUC and DPW would work together to identify flooding incidents areas to track changes. Also the subcommittee got an update on Urban Watershed Framework and Sewer System Improvement.

L Tam mentioned a resolution was passed by the subcommittee to approve J West as public member for the subcommittee.

10. Approve Judy West as Public Member of the Wastewater Subcommittee

Discussion took place on whether the vote should take place or be postponed due to the fact of West's absence at the meeting but it was decided to move forward.

11. Review SFPUC Commission On-Going Business Calendar

Distributed a hard copy to members and asked them to review and consider for potential agenda for future meetings. J Clary mentioned that the next water Subcommittee meeting will make recommendation on strategic planning in August.

12. Announcements/Comments

Chair Lantsberg distributed invitations to members for the rededication ceremony of the University Mound Reservoir on June 2.

R Hansen recommended the following report and book:

- 1) Hot, Living Through the Next Fifty Years on Earth by Mark Hertsgaard.
- 2) "Climate Change Hits Home" report released by SPUR, written by Laura Tam. S. Bjorgan offered to make copies of the report for the CAC members.

14. Adjournment - Meeting adjourned at 7:05 pm.

ACTION ITEMS

Action Item: Chair asked staff to make sure to notify the CAC members about the June 28 meeting

Action Item: Chair asked members if they are interested in volunteering for the Community Benefits/Environmental Justice Committee, they should let Chair Lantsberg know through staff.

Action: J Clary moved the motion and seconded by W Farrell and R Hansen. Approved in acclamation.