

SAN FRANCISCO PUBLIC UTILITIES COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

Edwin M. Lee
MAYOR

Regular Meeting

Tuesday, June 14, 2011
1:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place

Commissioners

Francesca Vietor, President
Anson B. Moran, Vice President
Ann Moller Caen, Commissioner
Art Torres, Commissioner
Vince Courtney, Commissioner

Departments and Enterprises

Water Enterprise
Wastewater Enterprise
Power Enterprise
Infrastructure
Business Services
External Affairs

Ed Harrington
General Manager

Michael Housh
Secretary



For information, contact the Commission Secretary at 554-3165.
Minutes and other information are available on the SFPUC web site: www.sfwater.org

Disability Access

The Public Utilities Commission meeting will be held in Room 400, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA. The Commission meeting room is wheelchair accessible. The closest accessible BART station is the Civic Center Station at United Nations Plaza and Market Street. Accessible MUNI lines serving this location are: #47 Van Ness, and #71 Haight/Noriega and the F Line to Market and Van Ness and the Metro Stations at Van Ness and Market and at Civic Center. For information about MUNI accessible services call (415) 923-6142. There is accessible curbside parking adjacent to City Hall on Grove Street and Van Ness Avenue and in the vicinity of the Veterans Building at 401 Van Ness Avenue adjacent to Davies Hall and the War Memorial Complex.

City Hall is accessible to persons using wheelchairs and other disabilities. The Polk Street/ Carlton B. Goodlett entrance is accessible via a ramp and a wheelchair lift. The other three entrances are accessible via ramps. Assistive listening devices are available and meetings are open captioned in the hearing room and closed captioned on SFGTV. Materials in alternative formats, American Sign Language interpreters, and other accommodations will be made available upon request. Please contact Michael Housh, Commission Secretary, at (415) 554-3165 or by Email mhoush@sfgwater.org to make arrangements for any of these services. Providing at least 48 hours notice prior to the meeting will help to ensure availability.

In order 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 accommodate these individuals.

Know your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decisions 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 the Sunshine Ordinance Task Force, City Hall, Room 409, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102-4683 at Phone No.: (415) 554-7724; Fax No.: (415) 554-7854; E-mail: sotf@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 www.sfgov.org.

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 Chair 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.

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.

ORDER OF BUSINESS:

1. Call to Order
2. Roll Call
3. Approval of Minutes
 - a) Minutes of the May 10, 2011, Regular Meeting
 - b) Minutes of the May 24, 2011, Regular Meeting

4. 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) Letter Summary
- b) Advance Calendar
- c) Staff Reports (*written reports sent to the Commissioners*)
 1. Quarterly Update Interim Wastewater Capital Improvement Projects (Moala)
 2. Status of Major Development Projects in Service Area (Ritchie/Carlin)
 3. Legislative Update (Ellis)
 4. LED Streetlights and Streetlighting Plan Update (Hale)

6. Other Commission Business

- a) Honoring Mr. Patrick Lo for 34 years of Public Service upon his Retirement (Housh)

7. Report of the General Manager

THE FOLLOWING MATTERS BEFORE THE PUBLIC UTILITIES COMMISSION ARE RECOMMENDED FOR ACTION AS STATED BY THE GENERAL MANAGER OF PUBLIC UTILITIES 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, 1155 Market Street, 11th Floor, San Francisco, CA 94103, Telephone: (415) 554-3165, Fax: (415) 554-3424.

CONSENT CALENDAR

8. 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 Consent Calendar and considered as a separate item.
- a) **Ratify** the Declaration of Emergency WW-537(E) made by the General Manager of the San Francisco Public Utilities Commission (SFPUC), dated April 27, 2011, and approved by the President of the Commission, for immediate replacement of the existing sewer on Post Street, from Kearny Street to Montgomery Street, due to missing bricks, sagging and bulging walls, missing grout throughout and a damaged invert along the length of the entire sewer. The emergency sewer replacement work was awarded to Shaw Pipeline, Inc. in the amount of \$403,425. *(Moala)*
- b) **Authorize** the General Manager of the San Francisco Public Utilities Commission (SFPUC) to apply to the United States Bureau of Reclamation (USBR) WaterSMART Grant Program for funding up to \$231,591 for the project “Assessing Potential Effects of Climate Change on the San Francisco Public Utilities Commission’s Water Supply, to be matched by SFPUC and Scripps Institution of Oceanography in-kind contributions of \$237,494. *(Ritchie)*
- c) **Approve** Amendment No. 1 to Water Enterprise revenue-funded Agreement No. CS-898, Environmental Analysis Services for the New Diversion Dam Road Upgrade Project in the Sunol Watershed with Jones and Stokes; and **authorize** the General Manager of the San Francisco Public Utilities Commission (SFPUC) to execute this amendment, extending the agreement duration by two years for a total agreement duration of five years and one month. This modification is required to complete the environmental analysis services for the proposed replacement of the existing bridge after the work was placed in abeyance while SFPUC completed conceptual design of the project. *(Kelly/Torrey)*
- d) **Approve** Modification No. 1 to Water Enterprise, Water System Improvement Program-funded Contract No. WD-2558 La Grande Pump Station Upgrades, with Trinet Construction, Inc., increasing the contract time by 133 consecutive calendar days to negotiate and fully execute License Agreements between SFPUC and adjacent property owners for construction access and for construction of shoring and underpinning systems, for a total contract duration of 728 consecutive calendar days. *(Kelly)*
- e) **Accept** work performed by NTK Construction, Inc., for Water Enterprise, Water System Improvement Program-funded Contract No. WD-2597, Lawrence Livermore and Phase II Thomas Shaft Improvement Project; **approve** Modification No. 9 (Final) to address for unanticipated conditions encountered during facility testing and start-up, increasing the contract by \$67,784, for a total contract amount of \$3,440,719 and extend it by 162 consecutive calendar days, for a total contract duration of 563 consecutive calendar days; and **authorize** final payment, to the contractor in the amount of \$186,625. *(Kelly)*

- f) **Approve** the terms and conditions and authorize the General Manager of the San Francisco Public Utilities Commission to execute a Revocable Permit with City of San Jose for a pedestrian and bicycle trail crossing at the Lower Guadalupe River, near Parcel 127. (*Carlin*)
- g) **Approve** the terms and conditions and authorize the General Manager of the San Francisco Public Utilities Commission to execute a Revocable Permit with City of Fremont for a pedestrian and bicycle trail crossing at Sabercat Creek, near Parcel 18. (*Carlin*)

PUBLIC HEARING

(Persons who are unable to attend the public hearings may 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 a part of the official public record. Written comments can be sent to Michael Housh, Commission Secretary, San Francisco Public Utilities Commission, 1155 Market Street, 11th Floor, San Francisco, California, 94103).

- 9. Public Hearing – presentation, discussion, and possible action for **adoption** of the 2010 Urban Water Management Plan for the City and County of San Francisco. (*Ritchie*)
- 10. Discussion and possible action for **adoption** of a resolution affirming that the 2010 Urban Water Management Plan for the City and County of San Francisco covers projected growth in the City and County of San Francisco through the year 2035 and thereby satisfies the water supply and demand assessment requirements for developments of a specific size pursuant to the California Environmental Quality Act and the California Water Code. (*Ritchie*)

REGULAR BUSINESS

- 11. Discussion and possible action to **authorize** the General Manager of the San Francisco Public Utilities Commission to consent, on behalf of the SFPUC, to the Development Agreement (“DA”) between the City and County of San Francisco (the “City”) and Parkmerced Investors, LLC (“Project Sponsor”), and adopt findings, pursuant to the California Environmental Quality Act (CEQA) to support the Parkmerced Project (the Project), including a statement of overriding considerations and a mitigation monitoring and reporting program. (*Carlin*)
- 12. Discussion and possible action to **authorize** the General Manager of the San Francisco Public Utilities Commission (SFPUC) to execute a Memorandum of Agreement with East Bay Municipal Utility District (EBMUD), Contra Costa Water District (CCWD), Santa Clara Valley Water District (SCVWD), and Alameda County Flood Control and Water Conservation District - Zone 7 (Zone 7) for an amount not to exceed \$200,000 (SFPUC share over an estimated duration of 18 months) to conduct Site Specific Analysis to further study the feasibility of the Bay Area Regional Desalination Project. The proposed Site Specific Analysis will provide information about hydraulic modeling, impacts on water quality and marine life, carbon footprint and related mitigation, and public outreach, to inform the decision as to whether to proceed with Project design, permitting, and environmental review. (*Ritchie*)

13. Discussion and possible action to Commission (SFPUC) to **amend** and **extend** the agreement to provide a Direct Pay Letter of Credit Authorized under 2002 Proposition A for the Water Enterprise Commercial Paper Program with Bank of America N. A.. The agreement provides \$250,000,000 in available credit with annual costs not-to-exceed \$2,000,000 and for a duration of three years. The current agreement entered into July 1, 2008, provides at the SFPUC's option, the option to extend the agreement. The proposed three-year amendment includes more favorable credit-rating downgrade provisions and early termination fee protection terms. However, the current market has less favorable pricing for credit support; the new agreement increases the annual costs of the Letter of Credit from \$1,000,000 to \$1,875,000, based on a fully utilized commercial paper program. *(Rydstrom)*

14. Discussion and possible action to **authorize** the General Manager to enter into one or more low-interest loan agreements from the California Energy Commission to finance a portion of the Light Emitting Diodes (LED) Streetlight Conversion Project and authorize staff to apply for additional loans as they become available for total loan amount not-to-exceed the project cost of \$16,000,000. *(Rydstrom)*

15. Discussion and possible action to **approve** the plans and specifications, and **award** Water Enterprise Water System Improvement Program-funded Contract No. HH-935C, San Joaquin Pipeline System - Eastern Segment & Other Facilities, in the amount of \$45,329,416 to the lowest, qualified, responsible and responsive bidder, Contri Construction to install approximately 6.7 miles of new pipeline and build other facilities. *(Labonte)*

16. Discussion and possible action to **authorize** the General Manager of the San Francisco Public Utilities Commission (SFPUC) to approve and execute the First Amendment to the Joint Exercise of Powers Agreement with the Bayshore Sanitary District (District) for sewer service to the Bayshore Sanitary District for the purpose of extending the existing contract term by up to a maximum of twelve (12) months through June 30, 2012, as contract negotiations progress on a new agreement *(Rydstrom)*

CLOSED SESSION

17. Public comments on matters to be discussed in Closed Session.

18. Motion on whether to assert the attorney-client privilege regarding the matters listed below as Conference with Legal Counsel.

THE PUBLIC UTILITIES COMMISSION WILL GO INTO CLOSED SESSION TO DISCUSS THE FOLLOWING ITEMS:

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

Consultation with: Agency Chief of Security concerning security of S.F.P.U.C. Water and Power Systems.

20. Conference with Legal Counsel – Pursuant to California Government Code Section 54956.9 (a) and San Francisco Administrative Code Section 67.10 (d) (1) (Ambrose)

Existing Litigation: Mitchell Engineering vs. CCSF, Alameda Superior Court, Case No. RG07339056, filed Nov. 9, 2007; CCSF vs. Mitchell Engineering, Inc. San Francisco Superior Court, Case No. CGC-07-465520, filed July 26, 2007; CCSF vs Mitchell Engineering, Inc, San Francisco Superior Court, Case No. CGC-07-469176, filed Nov. 14, 2007; CCSF vs Mitchell Engineering, Inc, San Francisco Superior Court, Case No. CGC-07-465522, filed July 26, 2007; CCSF v Mitchell Engineering, Inc, San Francisco Superior Court, Case No. CGC-07-465524, filed July 26, 2007; CCSF v Mitchell Engineering, Inc, San Francisco Superior Court, Case No. CGC-07-468361, filed Oct. 18, 2007; and Mitchell Engineering vs CCSF, United States District Court, Northern District, Case No. CV 08 4022-SI, filed Aug. 22, 2008.

21. Conference with Real Property Negotiator - Pursuant to California Government Code Section 54956.8 and San Francisco Administrative Code Section 67.8(a)(2). (Carlin)

Property: Mountain View, portion of BDPL 3 and 4, parcels 189, 190, 191 and 192, located between Whisman Road and Tyrella Avenue.

Parties Negotiating: SFPUC Carlin
KMJ Urban Communities

Under Negotiation: Price and Terms

FOLLOWING THE CLOSED SESSION, THE PUBLIC UTILITIES COMMISSION WILL RECONVENE IN OPEN SESSION.

22. Announcement following Closed Session.

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

24. Other New Business

ADJOURNMENT

City and County of San Francisco
Public Utilities Commission
1155 Market Street, 11th Floor
San Francisco, CA 94103