SAN FRANCISCO PUBLIC UTILITIES COMMISSION
City and County of San Francisco

Edwin M. Lee
MAYOR

Minutes
Tuesday, November 14, 2017
(Approved December 12, 2017)

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

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

Harlan L. Kelly, Jr.
General Manager

Donna Hood
Secretary

For information, contact the Commission Secretary at 415-554-3165
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
1. **Call to Order**  
   *President Kwon called the meeting to order at 1:38 PM.*

2. **Roll Call**  
   *Present: Kwon, Courtney, Vietor and Moran*  
   *Commissioner Caen arrived at 2:00 PM*  
   
   *President Kwon announced there would be no Closed Session.*

3. **Approval of the Minutes of October 24, 2017**  
   *On Motion to approve the Minutes of October 10, 2017:*  
   *Ayes: Kwon, Courtney, Vietor and Moran*  
   *No public comment.*

4. **General Public Comment**  
   - Steve Zeltzer expressed concern with privatization of public space and transfer of public property to private enterprises.

5. **Communications**  
   a) **Advance Calendar**  
   b) **Correspondence Log**  
   c) **Contract Advertisement Report**  
   d) **O’Shaughnessy Dam Reservations Quarterly Report – 3rd Quarter: July through September 2017**  
   e) **Bay Area Ridge Trail Extension Project Update**  
   f) **Water Supply Conditions Update**  
   g) **Water Pipeline Assessment**  
   h) **Water System Improvement Program Status of Construction Change Orders**  
   i) **SFPUC Compliance with Administrative Code Chapter 12X, Prohibiting City Travel and Contracting in States that Allow Discrimination Against LGBT Individuals**  
   j) **Net Energy Metering and Shared Renewable Energy Annual Report**

   **Public Comment**  
   - Mike Ferreira, Sierra Club, Loma Prieta Chapter, spoke to item 5e and expressed thanks for staff communication. He discussed the proposed south trail crossing at Highway 92 and noted the need for alternatives.

   *Tim Ramirez, Natural Resources Manager, responded to a question from Commissioner Vietor as to alternatives being considered for the crossing.*

6. **Other Commission Business**  
   *Commissioner Moran expressed concern with the amount of paperwork that the Commission is receiving from staff at the meetings. He stated the Commission doesn’t have adequate time to review the documents prior to the meeting and requested that all materials be included with the published packet and not be distributed at the meeting.*
   a) CleanPowerSF Update
      Barbara Hale, Assistant General Manager (AGM) Power, provided a
      CleanPowerSF update: Enrollment: Currently serving 80,000 customers with
      3.9 percent choosing SuperGreen. The opt-out rate is at 3.2 percent.

      AGM Hale discussed Community Choice Aggregation (CCA) activities
      throughout California and reviewed a state map showing communities that
      are actively serving customers, noting those that are exploring CCA’s. AGM
      Hale reviewed projected costs and revenues (comparison with regional CCA
      programs).

      Commissioner Vietor requested that a future update include data on the
      number of total customers being served in California, projected numbers,
      and jobs data.

      AGM Hale stated she will provide that info during a future update, but noted
      not all CCA’s collect data for indirect jobs.

      Commissioner Moran asked the update include figures on the market share
      breakdown between CCA’s, municipal utilities, and investor-owned utilities.

   b) Mountain Tunnel Update
      Mr. Dan Wade, Director, Water Capital Projects and Programs, provided a
      Mountain Tunnel update. He briefly reviewed the location and background of
      the Tunnel and provided a summary of July 21, 2017 Management Oversight
      Committee (MOC) & August 4, 2017 TAP meetings: (1) 2017 inspection and
      repairs; (2) Alternatives evaluated; and (3) MOC and Technical Advisory
      Panel (TAP) agreed with Rehabilitate Alternative recommendations.

      Mr. Wade stated the team recommended the Rehabilitate Alternative with
      downstream control as the preferred project. He reviewed Project Cost
      options (of the three possible options) and Rehabilitation Alternative key
      elements.

      Director Wade discussed: (1) Paving of the unlined tunnel invert; (2) Debris
      removal and South Fork extension; (3) Downstream control; (4) Hydraulic
      and operational characteristic of downstream control; (5) Benefits of
      downstream control to tunnel performance (water quality, conveyance
      capacity, operational flexibility, maintenance costs, Priest Reservoir supply
      flexibility, and hydropower benefits); and (6) Rehabilitation with downstream
      control schedule.
He concluded with a review of next steps: (1) 2018 interim repairs (scope and schedule); and (2) Mountain Tunnel improvements (scope and schedule).

Mr. Wade responded to a question from Commissioner Vietor regarding the benefits of hydropower and how it can be maximized.

No public comment.

c) Water System Improvement Program (WSIP) Local and Regional Quarterly Reports
Mr. Wade provided the WSIP Local and Regional quarterly update, noting regional projects are 95 percent complete; local projects are 99.9 percent complete; and the overall WSIP is 95.4 percent complete. He indicated the Lake Merced Pump station is the only local remaining project.

He reviewed the WSIP cost and schedule forecast and discussed recent accomplishments: (1) New Irvington Tunnel; (2) Regional Groundwater Storage and Recovery; (3) Calaveras Dam Replacement Project; and (4) Fish Passage Facility at Alameda Creek Division Dam.

No public comment.

d) Water Enterprise Capital Improvement Program Quarterly Report
Director Wade began by discussing the variances noted in the report. He continued with an update on the Water Enterprise Capital Improvement Program and discussed highlights of the reporting period: (1) Peninsula Pipeline Phase 4 Project; (2) Sunol Yard Administration Building; (3) San Andreas Pipeline 2; and (4) 10.4 miles of San Francisco distribution system pipelines replaced.

He touched on the following projects: (1) Peninsula Pipeline Seismic Upgrade Phase 3 (Stern Grove installation); (2) Sunol Yard long-term improvements; (3) San Francisco Groundwater Supply (Lake Merced Well Station); (4) Buildings and grounds improvements New Sunset Reservoir storage building; (5) San Francisco water pipeline replacement; and (6) Water conveyance/distribution system program expenditures by year.

Commissioner Caen questioned the 10.4 miles of pipeline replacement, noting the replacement goal is 15 miles per year. GM Kelly discussed the need to shift resources to accommodate the increase in building in the City along with the lack of adequate resources. He indicated construction mitigation and coordination is becoming very expensive. He stated there will be dedicated funding to achieve the 15 mile per year goal. Brief discussion ensued.

No public comment.
e) Report on Recent SFPUC Activities, Events, and Announcements

Steve Ritchie, AGM Water, provided an update on the Mountain Lion that was captured in a San Francisco neighborhood by the Department of Fish and Game. He stated the Mountain Lion was released to Puma Project staff and that a radio tracking collar and ear tag was attached to the Mountain Lion and he was freed it into the Crystal Springs Watershed.

No public comment.

8. Workshop: Capital Improvement Strategy for Sewer System Improvement Program (SSIP) Treatment Facilities

Mr. Dan Donahue led the workshop for the Capital Improvement Strategy for the SSIP Treatment Facilities. He began with a summary of the presentation’s goals, objectives, and agenda review. He presented on the following:

Objectives and Approach
(1) Level of Service (LOS) Goals; (2) Wastewater Enterprise (WWE) Treatment Facilities Capital Improvement Strategy objectives; (3) Prioritization Considerations (cost, timing, LOS); (4) Needs identification and prioritization approach (2016 Baseline, OEM feedback incorporated with considerations, and reviewed and updated cost estimates); (5) Review of 2016 program baseline for treatment plants; and (6) Prioritization next steps, with treatment focus at this meeting.

SSIP Phase 1
SSIP Phase 1 re-baseline has an increase of $68M, with major Phase 1 scope changes to: (1) Southeast Plant (SEP) New Headworks Replacement (+$60M); (2) SEP Power Feed and Primary SWG Upgrades (+$15M); and (3) North Shore Wastewater Pump Station Improvements (-$15M). For each project with major Phase 1 scope changes, Mr. Donahue described the changes since the 2016 baseline, noting the reasons for increased design and construction costs.

SSIP Phases 2 and 3: Southeast Plant; North Point Facility (NPF); and Oceanside Plant (OSP)

Southeast Plant: Mr. Donahue reviewed: (1) 2016 Baseline project list for Phases 2 and 3; (2) Proposed changes to the 2016 Baseline (add or remove projects, re-package improvements, move from Phase 3 to Phase 2, move from Phase 2 to Phase 3); (3) Proposed project list; (4) Proposed Phase 2 and 3 schedule; and (5) Cost Summary (+$279M total Phases 1, 2 and 3).

North Point Facility (NPF) Plant: Mr. Donahue reviewed: (1) 2016 Baseline project list for Phases 2 and 3; (2) Proposed changes to the 2016 Baseline (add or remove projects, re-package improvements, refine scope); (3) Proposed project list; (4) Proposed Phase 2 and 3 schedule; and (5) Cost Summary (-207M total Phases 1, 2 and 3).

Oceanside Plant: Mr. Donahue reviewed: (1) 2016 Baseline project list for Phases 2 and 3, noting proposed changes (add Security Enhancement Project
in Phase 2, consolidate DCS upgrades and complete in Phase 2, and move Thickening Improvements from Phase 3 to Phase 2); (2) Proposed project list; (3) Proposed Phase 2 and 3 schedule; and (4) Cost Summary (+$25M total Phases 1, 2 and 3).

Summary and Next Steps
Mr. Donahue provided a summary of the Treatment Facilities indicating a $97M increase in the 2016 Baseline. He presented an overall cost summary for the total SSIP (treatment, collection, land reuse, program management), with a total overall cost increase of +$336M.

Mr. Donahue indicated the January presentation to the Commission will provide information regarding the overall WWE Capital Improvement Program prioritization.

Commissioner Vietor thanked Mr. Donahue for the presentation. She stated she was unclear as to the drivers for the project changes, nor how they connected to earlier policy decisions on SSIP and the commitment to the Urban Watershed Assessment. GM Kelly provided clarification on the purpose of the presentation and that it was intended for discussion of the treatment facilities where there is a need to meet permit requirement and other requirements.

Commissioner Vietor expressed a desire for more information at the policy and budgetary level.

Mr. Donahue provided clarification stating the information provided and the validation process is tied to Urban Watershed Assessment.

Kathy How, AGM Infrastructure, stated most of Phase 1 projects have not changed. She provided clarification on the projects and stated approval will be needed for any changes to Phase 2 projects. GM Kelly emphasized that the Commission only gave authority for Phase 1, and that Phases 2 and 3 are being refined as the information changes.

Mr. Donahue responded to a question from Commissioner Caen regarding the SSIP 2016 Baseline project list and reassignment of projects. She requested that reassignments be made clearer.

Commissioner Moran provided comments on the need for constant review to ensure cost effectiveness and design solutions. GM Kelly provided additional comments.

No public comment.

President Kwon stated item 9a was removed from the Consent Calendar.

9. **Consent Calendar:**
   a) **Accept work performed by Communication Services, Inc., for Contract No. DB-124, San Joaquin Valley Communication System Upgrade; Approve**
Modification No. 10 (Final), increasing the contract amount by $157,826, and with a time extension of 10 consecutive calendar days, for a total contract amount of $6,966,703, and with a total contract duration of 807 consecutive calendar days; and authorize final payment to the contractor. (Resolution 17-0224)

b) Approve an increase to the existing contract duration contingency of 73 consecutive calendar days, for Contract No. WD-2551, Calaveras Dam Replacement Project; and authorize the General Manager to approve future modifications to the contract for a total revised contract duration up to 2,867 consecutive calendar days. (Resolution 17-0222)

c) Accept work performed by Southland/Tutor Perini Joint Venture, for Contract No. WD-2581, New Irvington Tunnel; Approve Modification No. 74 (Final), decreasing the contract by $1,123,744, for a total contract amount of $265,518,301, with a total contract duration of 2,593 consecutive calendar days; and authorize final payment to the contractor. (Resolution 17-0223)

On Motion to approve Consent Calendar items 9b and 9c:
Ayes: Kwon, Courtney, Caen, Vietor and Moran

No public comment.

Consent Item 9a: The Commission Secretary read minor corrections to the resolution for item 9a, seventh and eighth “Whereas” clauses and the “Resolved” clause.

On Motion to approve Consent Calendar items 9a as amended:
Ayes: Kwon, Courtney, Caen, Vietor and Moran

No public comment.

10. Approve the terms and conditions of and authorize the General Manager to negotiate and execute an Exclusive Negotiation Agreement (ENA) with Reservoir Community Partners, LLC, a Delaware limited liability company representing a joint venture comprised of Avalon Bay Communities and Bridge Housing Corporation (collectively, Developer), to develop mixed-income housing, parks and open space on approximately 17 acres of property located at Ocean and Phelan Avenues in San Francisco, commonly known as the “Balboa Reservoir.” The ENA states the process, and the terms and conditions upon which the City and County of San Francisco and the Developer will negotiate and seek to complete a purchase and sale agreement, quitclaim deed with reservation of certain easements, development agreement, declaration of use restrictions, and such other documents as are necessary to effectuate an approved development project for the Balboa Reservoir, subject to further approval by the SFPUC. (Resolution 17-0225)

Mr. Michael Carlin, Deputy General Manager (DGM), began by discussing the partnership between the SFPUC and City College of San Francisco (CCSF) during the development process, which has taken place since 2015. He noted...
CCSF has been involved throughout the process. He discussed the notification process regarding the property and stated the City Attorney has informed the Commission that they can consider approval of the ENA. He discussed parking and other uses on the property and stated the developer has retained a “parking specialist”. He noted the SFPUC will work with CCSF on parking issues. He discussed the mandate for 50 percent affordable housing on the site (total of 550 affordable units). He stated the Performing Arts Center was taken into consideration as part of the overall project. He emphasized that the SFPUC is required by law to sell the property at fair market value, noting previous SFPUC property sales have been made under that mandate.

DGM Carlin responded to a question from Vice President (VP) Courtney regarding the terms of the Francisco Reservoir sale.

DGM Carlin responded to a question from Commissioner Vietor regarding the State Surplus Land Act. Deputy City Attorney Gessner clarified the difference between the State Surplus Lands Act and requirements under the City and County of San Francisco Charter, and other state laws. Commissioner Caen noted that land has not yet been declared surplus.

President Kwon stated that due to the large number of people in attendance to speak, the quantity of items on the agenda, and the need to vacate the room by 5:00 PM, public comment would be limited to two minutes per person.

Public Comment
- Michael Ahrens, Westwood Park Association, expressed concern with the parking at City College and stated the ENA should not be signed before the parking problem is solved and the issue is further discussed.
- John Winston, CAC Seat 9, read a letter in support of the project from the CAC Chair, Lisa Spinali.
- Jennifer Heggie discussed the role of CCSF and asked that the Commission deny the ENA, noting transit, parking, and public transportation issues.
- Steve Zeltzer, United Public Workers for Action, stated no one has come to the unions regarding the project. He discussed the Labor Council, gridlock, traffic, parking and issues related to the project.
- Francine Lofraco stated public lands should not be privatized and discussed her concerns.
- Alvin Ja thanked Commissioner Vietor for seeing the “big picture”. He provided thoughts on the project and asked the Commission not approve the ENA.
- Rodger Scott, Labor Council, shared personal observations regarding the project and read portions of a Labor Council resolution in opposition. He asked that the Commission not approve the item.
- Robert Varni, former CCSF Trustee, stated he wants CCSF to be the best community college in the state. He read an article (no date provided) from the San Francisco Chronicle regarding the subject property and sale of property at 17th and Folsom.
Leslie Simon, CCSF Faculty, requested the Commission not sign the ENA and discussed recent ACCJC (accreditation) and resulting problems. She discussed concerns with the proposal.

Christine Hanson expressed concerns including the CAC meeting process, parking studies, and the ENA.

Michael Adams stated the action is a hostile act. He expressed concerns with parking at the site and the performing arts center.

Kristy Wang, SPUR Community Planning Policy Director, expressed support for the item and the need for affordable housing.

Madeline Mueller, CCSF Faculty, discussed a 1991 property exchange and president-setting procedures. She offered reasons the item should be postponed for further research.

Everardo Gonzales, City College Student, read an open letter that was sent to the CCSF Board of Trustees and Chancellor. He stated the developer never opened the process to students. He asked that the agreement not be signed.

Corey Smith, San Francisco Housing Action Coalition, expressed support for the item and asked for approval. He discussed the proposed allocation of the housing units, the need for additional affordable units, and opportunities for the property.

Todd David, San Francisco Housing Action Coalition, reiterated thoughts by Ms. Whang and Mr. Smith. He expressed the need for affordable housing and requested approval.

Laura Clark, YIMBY Action, discussed the need for more housing and expressed support for the project.

Anita Theoharis, President, Westwood Park Association, stated there are flaws in the ENA. She expressed the need for parking at CCSF.

DGM Carlin responded to a question from Commissioner Moran for clarification as to the (Balboa and 17th and Folsom) land swap with CCSF, and provided confirmation as to owner of the Balboa Reservoir site.

Mr. Carlin responded to a follow-up question from Commissioner Moran as to whether the Chancellor or CCSF Board of Trustees has expressed their opinion of the project. Mr. Carlin stated that the CCSF Board of Trustees had on their October 26, 2017 agenda an item related to the Balboa Reservoir site and the agenda item was tabled.

Mr. Carlin responded to another question from Commissioner Moran regarding the firmness of the projected definition. Mr. Carlin indicated signing the ENA will not preclude discussing the project with CCSF, and that the intention is to do so.

DGM Carlin responded to an additional question from Commissioner Moran as to what kinds of approvals will need to take place when the project is better defined and negotiations are presumed successful. He responded to a follow-up question regarding the environmental review process, potential impacts and mitigation measures and what additional approvals will be required at that time,
and provided clarify of the roles of the Planning Department and the Board of Supervisors.

DGM Carlin responded to a request from Commissioner Vietor to clarify the approval action the Commission is asked to take regarding the ENA.

VP Courtney stated he is sensitive to the concerns of the speakers. He stated there is a housing crisis and there is a need for affordable housing. He discussed competing interests and labor concerns. He requested the Labor Council Resolution is included in subsequent packets. He indicated he spoke with some CCSF Board of Trustees regarding the parking issue.

On Motion to approve Item 10:
Ayes: Kwon, Courtney, Caen, Vietor and Moran

Commissioner Vietor discussed the SFPUC’s purview, noting limitations. She will look for the ENA to address parking, transit and infill questions.

Commissioner Moran noted any development would be subject to City Ordinances, as required. He thanked those in attendance for the professionalism of their comments and correspondence. He stated the parking issue needs to be worked on as the project proceeds.

President Kwon informed Mr. Varni, who returned to speak, that public comment was closed, and asked Mr. Varni share his documents with the Commission Secretary.

11. Approve the selection of a pool of qualified respondents to the CleanPowerSF Request for Offers of Renewable Energy Supplies (PRO.0077), and Request for Offers of Shaped Energy Supplies (PRO.0089); Authorize the General Manager to negotiate agreements with the approved pool of qualified respondents; conditionally authorize the General Manager to execute one or more contracts; and authorize the General Manager to seek approval from the Board of Supervisors to execute one or more contracts with the approved pool of qualified respondents, to the extent required. (Resolution 17-0226)

Mike Hyams, Director, CleanPowerSF, introduced the item and reviewed the CleanPowerSF Growth Plan which was presented to the Commission in May 2017 at which time two of the plan’s recommendations were adopted. He discussed (1) Completing Citywide enrollment; (2) Contracting approval strategy; (3) Power contracting authorization; (4) Illustrative portfolio cost structure (20-year period 2018-2037); and (5) Proposed Phase 2 schedule.

Commissioner Moran expressed interest in the Risk Assessment and Risk Management Program to ensure the Program is being managed appropriately.

On Motion to approve Item 11:
Ayes: Kwon, Courtney, Caen, Vietor and Moran

No public comment.
12. Authorize the Issuance of up to $400 million of 2017 Series ABC Water Revenue Bonds, consisting of three separate sub-series of bonds (Sub-Series A (WSIP), Sub-Series B (Non-WSIP) and Sub-Series C (Hetch Hetchy), and approve the form of and authorize the execution and delivery of related documents; Authorize the General Manager to sell the Bonds in one or more series of bonds on either a competitive or negotiated basis, as the General Manager determines is in the best financial interest of the San Francisco Public Utilities Commission; and delegate to the General Manager authorization to award each series of bonds to the highest bidder (lowest cost). (Resolution 17-0227)

Rich Morales, Debt Manager, presented the item, noting the requested action is to authorize the sale of new money Water Revenue Bonds (2017 Series ABC Water Revenue Bonds).

He stated the sale is the first of the transactions included in the Annual Capital Financing Plan. He continued with: (1) Description of the transaction for the three sub-series Water Revenue Bonds (A, B, and C); (2) Sources and uses of funds; (3) New SB 450 requirement (enacted October 9, 2017); (4) Form of Transaction documents (Preliminary Official Statement, Supply Indentures – 25th, Notice of Intent to Sell, Notice of Official Sale, Bond Purchase Contract, and Continuing Disclosure Certificate); (5) Disclosure questions and answers; (6) Transaction schedule; and (7) Recommended Commission action.

On Motion to approve Item 12:
Ayes: Kwon, Courtney, Caen, Vietor and Moran

No public comment.

13. Adopt the Revised Technology Policy of the San Francisco Public Utilities Commission. (Resolution 17-0228)

Ken Salmon, IT Director, discussed revisions to the SFPUC Technology Policy, including the Policy background, assessment, the three proposed recommendations, and recommended improvements.

Mr. Salmon responded to a question from Commissioner Moran as to the meaning of a “collaborative SharePoint environment”. Commissioner Moran indicated at some point he would like to see how the policy rolls-out within the operating organization and not just IT.

On Motion to approve Item 13:
Ayes: Kwon, Courtney, Caen, Vietor and Moran

No public comment.

14. Approve Amendment No. 2 to Agreement No. CS-109, Specialized Engineering Services for Recycled Water Projects, with Kennedy Jenks Consultants, Inc./Bahman Sheikh Water Reuse Consulting/Water Resources Engineering, Inc., Joint Venture (KJ/Sheikh/WRE, JV), to provide additional engineering services in support of the Westside Recycled Water Project; and authorize the
General Manager to execute this amendment, increasing the agreement by $2,500,000, for a total not-to-exceed agreement amount of $8,000,000, and with a time extension of three years, for a total agreement duration of 12 years, subject to the Board of Supervisors approval pursuant to Charter Section 9.118. (Resolution 17-0229)

Dan Wade introduced the item and requested approval.

On Motion to approve Item 14:
Ayes: Kwon, Courtney, Caen, Vietor and Moran

No public comment.

15. Approve Amendment No. 4 to Agreement No. CS-225R, Seismic Upgrade of Bay Division Pipeline Nos. 3 & 4 at Hayward Fault, Construction Management (CM) Services, with EPC Consultants, Inc., to continue providing CM Services for project closeout; and authorize the General Manager to execute this amendment with a time extension of 12 months, for a total agreement duration of six years and four months, with no change to the agreement amount. (Resolution 17-0230)

On Motion to approve Item 15:
Ayes: Kwon, Courtney, Caen, Vietor and Moran

No public comment.

16. Award Job Order Contract No. JOC-58, Micro-LBE Set Aside, General Building (B – License) for a not-to-exceed amount of $2,000,000 and with a duration of three years, to the lowest, qualified, responsible, and responsive bidder, Southwest Construction & Property Management, to perform general building construction tasks for all San Francisco Public Utilities Commission Enterprise Operations and Bureaus in San Joaquin, Stanislaus and Tuolumne Counties. (Resolution 17-0231)

On Motion to approve Item 16:
Ayes: Kwon, Courtney, Caen, Vietor and Moran

No public comment.

17. Award Job Order Contract No. JOC-66, Micro-LBE Set Aside, General Engineering (A – License) for a not-to-exceed amount of $2,000,000 and with a duration of three years, to the lowest, qualified, responsible, and responsive bidder, Sinclair General Engineering Construction, Inc., to perform general engineering construction tasks for all San Francisco Public Utilities Commission Enterprise Operations and Bureaus in San Joaquin, Stanislaus and Tuolumne Counties. (Resolution 17-0232)

On Motion to approve Item 17:
Ayes: Kwon, Courtney, Caen, Vietor and Moran

No public comment.
18. Approve the plans and specifications, and award Contract No. WD-2819, As-Needed Water Main Replacement at Various Locations No. 2, in the amount of $10,799,843, to the lowest, qualified, responsible and responsive bidder, Hernandez Engineering. (Resolution 17-0233)

On Motion to approve Item 18:
Ayes: Kwon, Courtney, Caen, Vietor and Moran

No public comment.

19. Authorize the General Manager to execute a Memorandum of Understanding with the San Francisco Municipal Transportation Agency (SFMTA) to set forth the agencies’ respective responsibilities, including cost sharing allocations, to jointly replace various SFPUC assets and/or relocate them away from the new road surface along the length of Van Ness Avenue, from North Point Street to Mission Street, as part of the SFMTA’s Van Ness Improvement Project. This action constitutes the Approval Action for the Project for the purposes of California Environmental Quality Act, pursuant to Section 31.04(h) of the San Francisco Administrative Code. (Resolution 17-0234)

Mr. Wade introduced the item noting the work to be performed and requested approval. Brief discussion ensued.

Mr. Wade responded to a question from Commissioner Caen regarding who will have the responsible paying for lighting.

On Motion to approve Item 19:
Ayes: Kwon, Courtney, Caen, Vietor and Moran

No public comment.

20. Approve the selection of Bakeworks, LLC, a California limited liability company, to operate a café in the lobby of the SFPUC headquarters building at 525 Golden Gate Avenue, San Francisco; and authorize the General Manager to negotiate and execute a five-year lease with Bakeworks for an initial annual rent of $35,700, with four percent annual rent increases, and one option to extend the Lease term for an three additional years, for a potential cumulative total term of eight years. (Resolution 17-0235)

Mr. Tony Bardo, Real Estate Services, introduced the item and requested approval.

On Motion to approve Item 20:
Ayes: Kwon, Courtney, Caen, Vietor and Moran

Public Comment
• Mark Bailey, Bakeworks, expressed excitement for the opportunity to work with the SFPUC.

President Kwon announced there would be no closed session.
21. Public Comment on matters to be discussed during Closed Session.

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

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)
   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

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)
   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

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)
   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

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:
   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

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:
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

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:
City and County of San Francisco v. Pacific Gas & Electric
Federal Energy Regulatory Commission
Complaint under Sections 206 and 306 of the Federal Power Act.
Case No.: EL15-3-000/Date Filed: October 9, 2014

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

30. Announcement following Closed Session.

31. Motion regarding whether to disclose the discussions during Closed Session pursuant to S.F. Administrative Code Section 67.12(a).

32. Other New Business
President Kwon announced that the Regular Meeting of November 28, 2017 has been cancelled, and that the next Regular Meeting will take place December 12, 2017.

33. Adjournment
President Kwon adjourned the meeting at 4:58 PM.