



SAN FRANCISCO PUBLIC UTILITIES COMMISSION
City and County of San Francisco

London N. Breed
Mayor

REGULAR MEETING MINUTES
Tuesday, October 22, 2024
1:30 PM
(Approved December 10, 2024)

1 Dr. Carlton B. Goodlett Place
City Hall, Room 400

Commissioners

Kate H. Stacy, President
Joshua Arce, Vice President
Avni Jamdar
Stephen E. Leveroni

Dennis J. Herrera
General Manager

Tiffany Lennear
Director of Commission Affairs

ORDER OF BUSINESS

1. Call to Order

Commissioner Stacy called the meeting to order at 1:30 P.M.

2. Roll Call

Present: Stacy, Arce, Jamdar, and Leveroni

3. Annual Election of Officers: Discussion and possible action to elect a President and Vice President of the San Francisco Public Utilities Commission.

- *Francisco Da Costa provided comment stating Commissioners who chronologically understand SFPUC past events are needed, he expressed concern relating to processes for outgoing and appointed Commissioners, and he suggested the Commission increase the time allotted for Public Comment.*
- *Peter Drekmeier Policy Director for Tuolumne River Trust, welcomed the new Commissioners; expressed gratitude to Commissioner Stacy on her performance in the role as Commissioner; suggested the Commission reinstate the process followed by former Commissioner Anson Moran wherein approved Commission requests were added to the Advance Calendar identifying the staff response due date; and, Mr. Drekmeier provided comment relating to accountability and an inquiry from former Commissioner Ajami on the impact of future water sales if actual sales results were lower than projected.*

On motion to approve Commissioner Kate Stacy as President and Commissioner Joshua Arce as Vice President of the San Francisco Public Utilities Commission:

Ayes: Stacy, Arce, Jamdar, and Leveroni

4. Approval of the Minutes of September 24, 2024

No public comment provided.

5. General Public Comment

- *Dave Warner introduced himself to the Commissioners, he shared that his method of communicating is through written letter, and he expressed concern relating to water issues.*
- *Francisco Da Costa provided comment on the Clean Water Act.*
- *Mary Butterwick provided comment on the oral argument that occurred in the San Francisco Supreme Court relating to two provisions of the Clean Water Act.*
- *Bryan Eckert provided comment relating to impact decisions of the Commission have on the future of commercial and recreational fishing.*
- *Gwenie Mackie provided comment on behalf of various community-based organizations relating to zero emissions and requested Commission support on traffic calming in the projects.*
- *Claire Graham provided comment on the need to identify effective measures for safer streets and urged the Commission to partner with San Francisco Vision Zero.*
- *Jason Foster provided comment on the federal grant permit and expressed opposition to permitting that hinders state wastewater operations and federal*

clean water laws.

- *Martin Gaupberg, consumer of Tuolumne River water, provided comment relating to the design drought that did not materialize and expressed frustration that no response has come from staff or the Commission relating to information from videotaped workshops and reports.*
- *Peter Dreke meier provided comment and requested the Commission agendaize the Bay Delta Plan and Tuolumne River voluntary agreements to ask staff about the response to directions from the related 2019 and 2020 resolutions.*
- *John Rosapeppie, commercial, recreational fisherman, and biologist involved with Tuolumne and the SFPUC for the last 15 years, expressed concern relating to lawsuits filed against the State Water Resources Control Board; and, the Commissioners' and ratepayers' lack of opportunity to provide input.*
- *Norma Wallace Galvan provided comment on her years spent attending SFPUC meetings, testifying, and seeing the public ignored; in addition to receiving staff support she urged the Commission to also take advantage of the many knowledgeable and concerned citizens and groups.*
- *Layne Fajeau, San Francisco resident and Sierra Club California organizer, commented on protecting the health of the California Bay Delta.*

6. Report of the General Manager (discussion only)

a) Wastewater Capital Programs Quarterly Report

Bessie Tam, Director, Infrastructure Wastewater Capital Program, presented the report.

- *Francisco Da Costa provided comment relating to a task force report from the past and urged the Commissioners to read the report to understand the level of progress achieved, he commented further on the Bayview, and urged Commissioners to compare budgets created in the past with the current budget.*

b) Report on Recent San Francisco Public Utilities Commission Activities, Events and Announcements

Dennis Herrera, SFPUC General Manager, welcomed the new Commissioners.

- *Francisco Da Costa provided comment to reiterate previous requests to execute action such as work to count salmon.*
- *Dave Warner provided comment thanking General Manager Herrera for responding to inquiries regarding the resolutions, he stated that years have passed between the resolutions' adoption and when the public received a response; Mr. Warner also commented that he has not heard about the biological goals component and suggested resolutions contain dates to inform public expectation and that information shared is more frequent, regular, and transparent.*

7. Bay Area Water Supply and Conservation Agency Report

Nicole Sandkulla, Chief Executive Officer/General Manager Bay Area Water Supply

and Conservation Agency (BAWSCA) provided a summary of the work BAWSCA provides, thanked President Stacy, welcomed Commissioners Arce, Jamdar and Leveroni, and introduced the new BAWSCA CEO Tom Smegal.

Tom Smegal provided information regarding his 27 years of experience in the water utility industry, including investments made with the goal to meet resiliency, quality, and reliability, to tackle infrastructure challenges, and to serve the 1.8 million BAWSCA customers by providing high quality water at a fair price.

No public comment provided.

8. **CONSENT CALENDAR**

- a) Approve the terms and conditions of Amendment No. 1 to the Childcare Lease dated October 28, 2021 with Wu Yee Children’s Services, a California nonprofit public benefit corporation for the childcare facility at the Southeast Community Center, to modify the scholarship program procedures. ([Resolution 24-0211](#))
- b) Approve an increase of \$117,517 to the cost contingency for Contract No. WD-2896, 12-Inch Ductile Iron Water Main Installation on Webster Street from Grove Street to Eddy Street, with M. Squared Construction, Inc., to procure additional ductile iron pipe necessary to, realign the pipe after encountering an unforeseen underground storage tank, and for additional traffic controls and support, for a revised cost limit of \$1,733,375, with no change to the contract duration. ([Resolution 24-0212](#))
- c) Award Contract No. WD-2906, Town of Sunol Pipeline Replacement at Arroyo de la Laguna Creek, to the responsible bidder that submitted the lowest responsive bid, Mitchell Engineering, in the amount of \$4,789,385 and with a duration of 605 consecutive calendar days (approximately one year and eight months), to replace a section of 12-inch diameter water main located in Sunol, CA. ([Resolution 24-0213](#))
- d) Award Contract No. WD-2883R, Millbrae Security Upgrades, to the responsible bidder that submitted the lowest responsive bid, Rodan Builders, Inc., in the amount of \$8,204,000 and with a duration of 540 consecutive calendar days (approximately one year and six months), to provide security upgrades at the Millbrae Campus. This action by the Commission constitutes the Approval Action for the Project for the purposes of the California Environmental Quality Act (CEQA), pursuant to San Francisco Administrative Code section 31.04(h). The Planning Department has determined that the Project is exempt from the CEQA. The Commission will rely on that determination to make its decision on this action. ([Resolution 24-0214](#))
- e) Approve a Greenhouse Gas-Free Energy Contract for CleanPowerSF that is subject to binding arbitration with Pacific Gas and Electric Company, in an amount not-to-exceed \$8,955,000 and with a duration of one year, and authorize the General Manager to seek Board of Supervisors approval of the contract. ([Resolution 24-0215](#))

- f) Approve execution and submission of an attestation of veracity for Hetch Hetchy Power's 2023 Power Source Disclosure Reports and Power Content Label; approve final submission of the 2023 Power Source Disclosure Reports to the California Energy Commission (Energy Commission); and approve provision of the Power Content Label to all customers by January 31, 2025. ([Resolution 24-0216](#))
- g) Approve execution and submission of an attestation of veracity for CleanPowerSF's 2023 Power Source Disclosure Reports and Power Content Label; approve final submission of the 2023 Power Source Disclosure Reports to the California Energy Commission (Energy Commission); and approve provision of the Power Content Label to all customers by January 31, 2025. ([Resolution 24-0217](#))
- h) Approve the novation of Contract No. PRO.0054.D, Wastewater and Stormwater Services, to transfer the existing contract from Woodard & Curran-Hydroconsult Engineers Inc., JV to Woodard & Curran, Inc. ([Resolution 24-0218](#))

No public comment provided.

President Stacy thanked staff for the negotiation on Item 8a.

On motion to approve the Consent Calendar:

Ayes: Stacy, Arce, Jamdar, and Leveroni

REGULAR CALENDAR

9. Accept work performed by JMB Construction under Contract No. WD-2797, San Francisco Westside Recycled Water Pump Station and Reservoir; approve Modification No. 19 (Final) increasing the contract amount by \$5,194, within the approved contingency amount, for a final contract amount of \$18,206,751, and increasing the contract duration by 236 consecutive calendar days, within the approved contingency duration, for a final contract duration of 1,845 consecutive calendar days (approximately five years), to complete punch list work associated with the Pacific Gas and Electric Company power service to the facility and to finalize closeout documentation; and authorize final payment to the contractor. ([Resolution 24-0219](#))

Barbara Palacios, Project Manager, PMB Bureau, presented the item.

- *Gloria Berry of District 10 provided comment with a request to not restrict funds for the Social Impact Program.*

On motion to approve agenda item 9:

Ayes: Stacy, Arce, Jamdar, and Leveroni

10. Approve and authorize the General Manager to execute, on behalf of the City and County of San Francisco, a new 10-year water service contract with the United States Department of Energy to continue water service to Lawrence Livermore National Laboratory through

December 31, 2034, with estimated revenue of \$66,436,590, subject to Board of Supervisors approval under San Francisco Charter Section 9.118. (Resolution 24-0220)

Angela Cheung, Water Supply and Treatment Division Manager, presented the item.

No public comment provided.

*On motion to approve agenda item 10:
Ayes: Stacy, Arce, Jamdar, and Leveroni*

11. Approve Amendment No. 3 to Contract No. PRO.0096, Mountain Tunnel Improvements Project Construction Management Services, with AECOM Technical Services Inc., increasing the contract amount by \$9,500,000 and extending the contract duration by five months, for a total not-to-exceed contract amount of \$34,000,000 and a total contract duration of eight years and five months, to continue providing specialized construction management services for the Mountain Tunnel Improvements Project, subject to Board of Supervisors approval under Charter Section 9.118. (Resolution 24-0221)

Lucas Hoffmann, Regional Construction Manager for the Hetch Hetchy Capital Improvement Project, presented the item.

- *Francisco DaCosta provided comment relating to the amount of funds spent on a tunnel project and urged the Commission to save taxpayers money.*
- *Gloria Berry of the School District Citizens' Oversight Board provided comment relating to contractors that overbid and urged the Commission to ensure more oversight and accountability.*
- *Nicole Sandkulla provided comment supporting this item.*

*On motion to approve agenda item 11:
Ayes: Stacy, Arce, Jamdar, and Leveroni*

12. Authorize the General Manager to seek approval from the Board of Supervisors to extend and increase the delegation of authority under Section 21.43 of the Administrative Code to execute power supply contracts: a) with terms in excess of 10 years or requiring expenditures of \$10 million or more subject to an annual expenditure limit of \$300 million per year; and b) with anticipated revenue in excess of \$1 million or more subject to an annual revenue limit of \$300 million per year, from July 1, 2025 to June 30, 2030. (Resolution 24-0222)

Julia Olguin, Director of Origination of Power Supply for the Power Enterprise, presented the item.

- *Francisco Da Costa provided comment relating to the role of LAFCO to participate in clean energy and urged more public outreach.*

On motion to approve agenda item 12:

Ayes: Stacy, Arce, Jamdar, and Leveroni

13. Award Contract No. DB-138, Southeast Treatment Plant Biogas Utilization Project, in the amount of \$121,541,812, and with a duration of 1,020 consecutive calendar days (approximately two years and ten months), to the sole, qualified proposer, PCL Construction, Inc., to design and construct the Biogas Utilization Project, a subproject of the Biosolids Digester Facilities Project, to provide beneficial use of the biogas generated from the new digesters by converting it to renewable natural gas for pipeline injection. ([Resolution 24-0223](#))

Daniela Brandao, Infrastructure Senior Project Manager, presented the item.

- *Gloria Berry provided comment relating to deliverables, resources, funds, and outreach to the District 10 community.*
- *Francisco Da Costa provided comment reiterating the task force document and asked what can be done to mitigate adverse impacts.*
- *Joyce of District 10 provided comment relating to convoluted and confusing information regarding planning at the Bayview, requested more outreach and asked the Commission to get more involved.*

On motion to approve agenda item 13:

Ayes: Stacy, Arce, Jamdar, and Leveroni

14. Approve an increase of \$385,000 to the cost contingency and 329 calendar days to the duration contingency for Contract No. WW-739, As-Needed Large Diameter Sewer Cleaning, with Pipe and Plant Solutions, Inc., to perform additional large diameter (greater than 36-inches in diameter) sewer cleaning, for a revised cost limit of up to \$1,433,439, and a revised duration limit of up to 730 consecutive calendar days. ([Resolution 24-0224](#))

Carmen Luk, Project Manager presented the item.

- *Francisco Da Costa provided comment relating to sewer pipe damage on Marin Street that has not been repaired.*

On motion to approve agenda item 14:

Ayes: Stacy, Arce, Jamdar, and Leveroni

15. COMMUNICATIONS (information only)

- Advance Calendar
- Contract Advertisement Report
- Correspondence Log
- Water Supply Conditions Update

16. Items initiated by Commissioners (discussion only)

President Stacy requested updates be provided on future agendas.

- *Francisco Da Costa provided comment relating to funding and public outreach.*
- *Joyce provided comment sharing her knowledge of the list, discussed the neglect and abuse in her community, and stated that she seeks change.*
- *Gloria Berry provided comment stating that her community is aware of the website, invited interested parties to join the Social Impact Program, and discussed the conditions of her community that affects her health and that of her family members.*

17. Public Comment on the matter to be addressed during Closed Session

No public comment provided.

18. Motion on whether to assert the attorney-client privilege regarding the matters listed below:

On motion to assert the attorney-client privilege:

Ayes: Stacy, Arce, Jamdar, and Leveroni

The Commission entered Closed Session at 4:11 P.M.

CLOSED SESSION

SFPUC Officials and Staff members present during Closed Session: Kate Stacy, Commission President; Josh Arce, Commission Vice President; Avni Jamdar, Commissioner; Steve Leveroni, Commissioner; Dennis Herrera, General Manager; Nicholas Whipps, Deputy City Attorney; Ron Flynn, Deputy General Manager and Chief Operating Officer; Steve Ritchie, Assistant General Manager; Brittany Feitelberg, Special Assistant to the General Manager; Jannie Ram, Executive Assistant; and Tiffany Lennear, Director of Commission Affairs.

19. CONFERENCE WITH LEGAL COUNSEL regarding existing litigation (Government Code §54956.9(d), San Francisco Administrative Code §67.10(d)):

Stern Grove Festival Association v. City and County of San Francisco

Unlitigated Claim File Nos.: 22-012171 and 24-02322

Dates Filed: February 22, 2022 and May 28, 2024

Proposed settlement of an unlitigated claim for property damage resulting from a water main failure with the City to pay the Stern Grove Festival Association \$225,016.38 in exchange for a full and final release, subject to final approval by the Board of Supervisors.
(Resolution 24-0225)

CONFERENCE WITH LEGAL COUNSEL regarding existing litigation (Government Code §54956.9(d), San Francisco Administrative Code §67.10(d)):

Arthur Bailey Jr. v. City and County of San Francisco

San Francisco Superior Court Case No.: CGC-23-607826

Date Filed: July 21, 2023

Proposed settlement of a personal injury lawsuit with the City and County of San Francisco to pay Arthur Bailey Jr. \$320,000 in exchange for a full and final release, subject to final approval by the Board of Supervisors. (Resolution 24-0226)

The Commission exited Closed Session at 4:27 P.M.

20. Announcement following Closed Session

President Stacy stated the Commission recommends the Board of Supervisors approve the settlement for Item 19.

21. Motion regarding whether to disclose the discussion during Closed Session pursuant to San Francisco Administrative Code Section 67.12(a).

*On motion NOT to disclose the discussion during Closed Session:
Ayes: Stacy, Arce, Jamdar, and Leveroni*

22. Adjournment

President Stacy adjourned the meeting at 4:29 P.M.