



SAN FRANCISCO PUBLIC UTILITIES COMMISSION
City and County of San Francisco

London N. Breed
Mayor

REGULAR MEETING MINUTES
Tuesday, December 10, 2024
1:30 PM
(Approved January 14, 2025)

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

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

2. Roll Call and Announcement

Present: Stacy, Arce, Jamdar, and Leveroni

President Stacy announced that the Commission would recess at approximately 3:40 or 3:45 P.M. to allow the Commissioners to join Mayor London Breed for a short event downstairs within the City Hall building and the Commission meeting would reconvene shortly thereafter.

3. Approval of the Minutes of October 22, 2024 and November 12, 2024

No public comment provided.

*On motion to approve the minutes of October 22, 2024 and November 12, 2024
Ayes: Stacy, Arce, Jamdar, and Leveroni*

Remote public comment revisited after consideration of Item No 6g.

No remote public comment provided.

4. General Public Comment

No public comment provided.

Remote General Public Comment was revisited after consideration of Item 3.

- *Dave Warner provided comment relating to his December 2nd letter to the Commission regarding governance.*
- *Peter Drekmeier provided comment relating to the Annual Water Resources Division report.*

5. SFPUC Citizens' Advisory Committee 2023-2024 Annual Report to the Commission

*On motion to continue Item 5 to the next Commission meeting:
Ayes: Stacy, Arce, Jamdar, and Leveroni*

6. Report of the General Manager (discussion only)

a) Annual Policy and Government Affairs Update

Emily Lam, Director of Policy and Legislative Affairs provided the update.

No public comment or remote public comment provided.

b) Water Enterprise Capital Improvement Program

Katie Miller, Water Infrastructure Capital Program Director, presented Item Nos. 6b and 6c together.

- *Dave Warner provided remote comment on slide 3 of the PowerPoint presentation.*

c) Water System Improvement Program
See Item 6b.

d) Fiscal Year 2024-2025 Quarter 1 Audit and Performance Review Report
Irella Blackwood, Audit Director presented the report.

No public comment or remote public comment provided.

e) SFPUC FY 2024-2025 First Quarter Budgetary Report through September 2024
Laura Busch, Deputy CFO, presented the report.

No public comment or remote public comment provided.

f) Wastewater Enterprise Quarterly Report including Southeast Area Major Projects
Bessie Tam, Infrastructure Wastewater Capital Program Director presented the report.

- *James Bryant provided comment relating to the established working relationship with PUC that enhanced local hire and Hyper Local, Mr. Bryant thanked the PUC and stated he would like to ensure that opportunities continue, and he shared that 1550 Evans Community Center achieved 45 percent Hyper Local participation.*
- *Demetrius Williams, President of the San Francisco Hyper Local Building Trades Contractors Collective, provided comment relating to the appreciation of the Collective for the support administered by the SFPUC and the opportunities given.*

No remote public comment provided.

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

None.

The meeting recessed at 2:33 P.M. to allow IT staff to investigate technical difficulties experienced with the audio technology that enables remote public comment.

The meeting reconvened at 2:59 P.M. with functioning audio technology that enables remote public comment. President Stacy requested to reopen public comment on Item Nos. 3, 4, and 6.

7. CONSENT CALENDAR

- a) Award Contract Nos. PRO.0176.A and PRO.0176.B, As-Needed Corrosion Control Engineering and Inspection Services, to JDH Corrosion Consultants, Inc. (PRO.176.A) and V&A Consulting Engineers, Inc. (PRO.0176.B), each for an amount not-to-exceed \$1,500,000 and with a duration of five years, to provide corrosion control engineering services to support capital improvement projects pertaining to water system transmission and distribution pipelines, tanks, treatment facilities, wastewater system facilities, power facilities and other related facilities. (24-0238)
- b) Approve an increase of 219 calendar days (approximately seven months) to the duration contingency for Contract No. WD-2873(I), 525 Golden Gate Avenue As-Needed Fire & Life Safety Systems, with Intelligent Technologies & Services, Inc., for a revised duration limit of up to 1,825 consecutive calendar days (five years), to continue to perform inspections, testing, maintenance, repairs, and replacement of the fire and life safety systems as required, with no change to the contract contingency amount. (24-0239)
- c) Award Contract No. WD-2875, 8-Inch and 12-Inch Ductile Iron Water Main and Sewer Replacement on Grand View Avenue from Clipper Street to Romain Street, and Various Area Streets, to the responsible bidder that submitted the lowest responsive bid, Basset Engineering Inc., in the amount of \$10,145,959 and with a duration of 640 consecutive calendar days (approximately one year and nine months), to install water mains in the Noe Valley District of San Francisco. This action 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. (24-0240)
- President Stacy stated for the record that she lives in the area where the work will take place, she does not have a conflict of interest due to the repair and maintenance of existing utility systems, and she can act impartially in the best interest of the City and vote on this item.*
- d) Approve Modification No. 2 to Job Order Contract No. JOC-90, General Engineering (A License) Construction, San Francisco, San Mateo, Santa Clara, and Alameda Counties, with GSW Construction, Inc., to increase the contract amount by \$500,000, for a revised not-to-exceed contract amount of \$5,500,000, with no change to contract duration, for additional capacity for facility and asset improvements. (24-0241)
- e) Approve Modification No. 1 to Job Order Contract No. JOC-91, General Engineering (A License) Construction, San Francisco, San Mateo, Santa Clara, and Alameda Counties, with R&S Construction Management, Inc., to increase the contract amount by \$2,500,000, for a revised not-to-exceed contract amount of \$7,500,000, and to

increase the contract duration by three years, for a total contract duration of five years, to provide and additional time and capacity for facility and asset improvements. (24-0242)

f) Award Contract WW-760, As-Needed Spot Sewer Replacement No. 46, to the responsible bidder that submitted the lowest responsive bid, J. Flores Construction Company, Inc., in the amount of \$9,228,23 and with a duration of 400 consecutive calendar days (approximately one year and one month), to replace sections of existing sewer pipe on an as-needed basis at locations that staff will determine throughout the City and County of San Francisco. (24-0243)

g) Award Contract No. CS-1248, Equipment and Software Maintenance to Schneider Electric Systems USA, Inc. , for an amount not-to-exceed \$1,545,332 and with a duration three years, to provide technical support, maintenance, and other services for the Distributed Control System software and hardware modules, software patches and upgrades, and phased equipment upgrades at the Southeast and Oceanside Water Pollution Control Plants. (24-0244)

No public comment or remote public comment provided.

*On motion to approve Consent Calendar Items 7a through 7g:
Ayes: Stacy, Arce, Jamdar, and Leveroni*

REGULAR CALENDAR

8. Award a five-year lease, with one four-year extension term option, to C5 Children’s School for the childcare center premises at 525 Golden Gate Avenue in San Francisco for an annual \$1 rent. (24-0245)

No public comment or remote public comment provided.

*On motion to approve Item 8:
Ayes: Stacy, Arce, Jamdar, and Leveroni*

9. Adopt findings declaring as “exempt surplus land” and “surplus land” approximately 67,802 square feet of real property designated as San Mateo County Assessor’s Parcel Numbers 093-340-060 and 093-340-020 and also designated as SFPUC Parcel No. 9 in San Bruno, California, owned by the City and County of San Francisco, under the jurisdiction of the San Francisco Public Utilities Commission; recommend to the Board of Supervisors the approval of an Agreement for Sale of Real Estate for the sale of Parcel No. 9 to the City of San Bruno for \$5,000; and authorize the General Manager to execute the Agreement after approval from the Board of Supervisors and Mayor. (24-0246)

No public comment or remote public comment provided.

On motion to approve Item 9:

Ayes: Stacy, Arce, Jamdar, and Leveroni

10. Adopt findings declaring as “exempt surplus land” and “surplus land” an approximately 46,097-square-foot portion of San Francisco Public Utilities Commission’s Parcel 21, located in South San Francisco, California, and approve the terms and conditions and authorize the Director of Real Estate to execute a Purchase and Sale Agreement and Quitclaim Deed for the sale of Parcel 21 for \$132,000 to the City of South San Francisco, following the City’s satisfaction of applicable requirements under the State Surplus Lands Act (California Government Code Section 54220 et seq.), subject to Board of Supervisors’ and Mayor’s approval. [\(24-0247\)](#)

No public comment or remote public comment provided.

On motion to approve Item 10:

Ayes: Stacy, Arce, Jamdar, and Leveroni

11. Award Contract No. PRO.0205, Water Capital Program Management Contract, to HDR Stantec JVHDR Stantec Joint Venture, to provide program management consulting services to support delivery of the Water Enterprise and Hetch Hetchy Water Capital Improvement Programs and the Water System Improvement Program, for an amount not to exceed \$80,000,000 and with a duration of 10 years, subject to Board of Supervisors’ approval under San Francisco Charter Section 9.118. [\(24-0248\)](#)

Taken out of order after Item No. 13

No public comment or remote public comment provided.

On motion to approve Item 11:

Ayes: Stacy, Arce, Jamdar, and Leveroni

12. Approve an increase of 316 calendar days to the duration contingency for Contract No. WW-697, As-Needed Main Sewer Replacement No. 8, with JDB & Sons Construction, Inc., for a revised duration limit of up to 1,811 consecutive calendar days (approximately five years), with no change to contract amount, to allow the contractor additional time to complete contract service orders previously issued. [\(24-0249\)](#)

Taken out of order after Item No. 10.

No public comment or remote public comment provided.

On motion to approve Item 12:

Ayes: Stacy, Arce, Jamdar, and Leveroni

13. Approve an increase of 155 calendar days to the duration contingency for Contract No. WW-705, Various Locations Sewer Replacement No. 10, with Mitchell Engineering, for

a revised contract duration limit of up to 815 consecutive calendar days (approximately two years and three months), with no change to contract amount, due to project coordination of trenchless work scope and complete remaining work scope on Golden Gate Avenue. (24-0250)

No public comment or remote public comment provided.

On motion to approve Item 13:

Ayes: Stacy, Arce, Jamdar, and Leveroni

The meeting recessed at 3:39 P.M.

The meeting reconvened at 4:17 P.M. and the Commission considered Item 11 out of order after Item 13.

14. Award Contract No. PRO.0302, Meter Maintenance Diagnostics Services, to Olea Networks, Inc., for an amount not-to-exceed \$2,400,000 and with a duration of five years, to provide to San Francisco Public Utilities Commission Water Enterprise City Distribution Division professional services to support the Water Loss Reduction Program. (24-0251)

No public comment or remote public comment provided.

On motion to approve Item 14:

Ayes: Stacy, Arce, Jamdar, and Leveroni

15. Public hearing to consider and possible action to adopt amended Section G, Cross-Connection Control, of the San Francisco Public Utilities Commission's Rules and Regulations Governing Water Service to Customers, implementing Article 12A of the San Francisco Health Code, in conformance with the requirements of Charter Section 4.104. (24-0252)

No public comment or remote public comment provided.

On motion to approve Item 15:

Ayes: Stacy, Arce, Jamdar, and Leveroni

16. Award Grant Agreement No. CS-1261(G), Ecoliteracy and Career Exposure Partnership Grant, to the San Francisco Unified School District, in an amount not-to-exceed \$2,228,775 and with a duration of three years. (24-0253)

Vice President Arce disclosed on the record that his wife is a member of the San Francisco Board of Education and, in an abundance of caution in order to avoid an apparent or actual conflict of interest, plans to recuse himself from the discussion and vote on this item.

On motion to excuse Vice President Arce from participating in the discussion and vote on Item 16:

Ayes: Stacy, Jamdar, and Leveroni

Vice President Arce left the dais and exited the meeting room before presentation of Item 16.

No public comment or remote public comment provided.

On motion to approve Item 16:

Ayes: Stacy, Jamdar, and Leveroni

17. COMMUNICATIONS (information only)

- a) Advance Calendar
- b) Contract Advertisement Report
- c) Correspondence Log
- d) Water Supply Conditions Update
- e) Annual Water Resources Division Report
- f) Annual Water Supply Development Report
- g) 2009 Water Supply Agreement Quarterly Update
- h) Hetch Hetchy Capital Improvement Program Quarterly Report Q1
- i) CleanPowerSF Quarterly Report
- j) Quarterly Report to the Board of Supervisors on the Status of Applications to PG&E for Electric Service
- k) Net Energy Metering and Shared Renewable Energy Annual Report to the Commission for Fiscal Year 2023-2024
- l) Annual Report on Low Carbon Fuel Standard Credit Sales Fund Pursuant to Administrative Code Section 10.100-92
- m) Quarterly Report of CAISO charges compared with projections and remaining contract expenditures under Contract No. PRO.0152, *Power Scheduling Coordination and Related Support Services*, with APX, Inc. [Board of Supervisors Resolution No. 095-23]
- n) Power Quarterly Report on Delegated Authority Contracts Pursuant to Administrative Code Section 21.43

Vice President Arce returned to the dais before consideration of Item 17.

18. Items initiated by Commissioners (discussion only)

Vice President Arce took note of and expressed appreciation for the Local Business Enterprise (LBE) participation component of the approved contracts on the agenda; and, in the future when appropriate, he would like to have a conversation that highlights success stories, develops best practices, promotes revelations of opportunities to achieve greater heights by the SFPUC.

No public comment or remote public comment provided.

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

No public comment or remote public comment provided.

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

The Commission entered Closed Session at 5:03 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; Ron Flynn, Deputy General Manager; Sheryl Bregman, General Counsel; Steve Ritchie, Assistant General Manager; Joel Prather, Assistant General Manager; Steve Robinson, Assistant General Manager; Brittany Feitelberg, Special Assistant to the General Manager; and Tiffany Lennear, Director of Commission Affairs.

21. CONFERENCE WITH LEGAL COUNSEL regarding anticipated litigation (Government Code §54956.9(d), Administrative Code §67.10(d):

180 Post Street, LLC v. City and County of San Francisco

Unlitigated Claim File No.: 24-02488

Date Filed: June 20, 2024

Proposed settlement of an unlitigated claim for property damage resulting from a water main break with the City to pay 180 Post Street, LLC \$66,858.00 in exchange for a full and final release, subject to final approval by the Board of Supervisors.

(Action Item) (24-0254)

22. CONFERENCE WITH LEGAL COUNSEL regarding anticipated litigation (Government Code §54956.9, Administrative Code §67.10(d):

Peter Dumanian v. City and County of San Francisco

Unlitigated Claim File No.: 24-02530

Date Filed: June 24, 2024

Proposed settlement of an unlitigated claim for property damage resulting from a water main break with the City to pay Peter Dumanian \$88,000 in exchange for a full and final release, subject to final approval by the Board of Supervisors.

(Action Item) (24-0255)

23. CONFERENCE WITH LEGAL COUNSEL regarding anticipated litigation (Government Code §54956.9, Administrative Code §67.10(d):

Joanna Lei v. City and County of San Francisco

Unlitigated Claim File No.: 24-00682

Date Filed: October 8, 2024

Proposed settlement of an unlitigated claim for property damage resulting from a water main break with the City to pay Joanna Lei \$35,491 in exchange for a full and final release, subject to final approval by the Board of Supervisors.

(Action Item) (24-0256)

24. CONFERENCE WITH LEGAL COUNSEL regarding existing litigation (California Government Code, Section 54956.9(d), and San Francisco Administrative Code, Section 67.10(d)):

City and County of San Francisco v. U.S. Environmental Protection Agency (U.S. Supreme Court, Case No. 23-753, certiorari granted May 28, 2024; City and County of San Francisco v. California State Water Resources Control Board (Alameda Superior Court Case No. RG-19042575, Filed October 30, 2019)

[Discussion Only] (Bregman/Kus)

25. CONFERENCE WITH LEGAL COUNSEL regarding existing litigation (California Government Code, Section 54956.9(d), and San Francisco Administrative Code, Section 67.10(d)):

United States, et al. v. City and County of San Francisco (Northern District of California Case No. 24-cv-2594, Filed May 1, 2024)

[Discussion Only] (Bregman/Kus)

26. CONFERENCE WITH LEGAL COUNSEL regarding existing litigation (California Government Code, Section 54956.9(d), and San Francisco Administrative Code, Section 67.10(d)):

Consolidated cases under Anthony J. Armstrong et al. v. City & County of San Francisco et al. (S.F. Superior Court Case No. CGC-23-608635, filed August 24, 2023) [Everest National Insurance Co. v. City & County of San Francisco et al. (S.F. Superior Court Case No. CGC-23-608016, filed July 31, 2023); Christopher F. Alioto et al. v. City & County of San Francisco et al. (S.F. Superior Court Case No. CGC-23-608652, filed August 24, 2023); Cincinnati Insurance Co. a/s/o Ron Conway v. City & County of San Francisco et al. (S.F. Superior Court Case No. CGC-24-611633, filed January 12, 2024)] and coordinated cases Michael Rivas et al. v. City & County of San Francisco, S.F. Superior Court Case No. CGC-23-607963, filed July 28, 2023; John G. Gumas et al. v. City & County of San Francisco et al., S.F. Superior Court Case No. CGC-24-613190, filed March 18, 2024; Anne Sullivan et al. v. City & County of San Francisco et al., S.F. Superior Court Case No. CGC-24-613193, filed March 18, 2024.

[Discussion Only] (Bregman/Kus)

The Commission exited Closed Session at 5:43 P.M.

27. Announcement following Closed Session

President Stacy stated the Commission recommends the Board of Supervisors approve the settlements referenced under Item Nos. 21, 22, and 23.

28. 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 discussions during Closed Session:
Ayes: Stacy, Arce, Jamdar, and Leveroni*

29. Adjournment

President Stacy adjourned the meeting at 5:44 P.M.