



SAN FRANCISCO PUBLIC UTILITIES COMMISSION
City and County of San Francisco

London N. Breed
Mayor

REGULAR MEETING MINUTES
Tuesday, April 9, 2024
1:30 PM
(Approved April 23, 2024)

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

Commissioners

Tim Paulson, President
Anthony Rivera, Vice President
Sophie Maxwell
Newsha Ajami
Kate H. Stacy

Dennis J. Herrera
General Manager

Donna Hood
Commission Secretary

1. Call to Order

President Paulson called the meeting to order at 1:31 pm.

2. Roll Call

Present: Paulson, Rivera and Maxwell

Excused: Ajami and Stacy

3. Approval of the Minutes of March 26, 2024

No public comment.

On motion to approve the Minutes of March 26, 2024.

Ayes: Paulson, Rivera and Maxwell

4. General Public Comment

- *Francisco DaCosta stated empirical data is needed as to the state of health in the Community. He discussed a meeting he had with SFPUC employees regarding use of the Contractors' Assistance Center with his efforts to assist the Community.*
- *Jacob Evans, Sierra Club California, discussed the SFPUC's lawsuit against the State Water Board regarding the Bay Delta Plan. He stated there is a need for more freshwater flows.*

5. Report of the General Manager

a) Update from Chief Diversity Officer Regarding Racial Equity and Inclusion (DEI) Initiatives

chris bijoux, Chief Diversity Officer (CDO) discussed his work and goals for the agency, specifically focusing the following core concepts (1) Relationships: CDO bijoux discussed his conversations and interactions with staff throughout the agency to listen and understand their concerns and ensure everyone feels heard, humanized, and valued, and noted the need to actively listen and gain trust. He stated that quantitative outcomes can't be produced, but that after nine months in his position, there is a different feel and that there is resonance in the agency; (2) Professional Development: CDO bijoux discussed the SFPUC's Racial Equity and Voice Surveys, which identified gaps in professional development, and he stated there is a need to integrate them. He discussed the Executive Leadership Team's monthly discussions around prioritizing equity; the need to understand policy gaps; and how to make the work performed sustainable; and (3) Rethinking and Imagining the Reuse of Data: CDO bijoux stated that the national narrative around the limitations of DEI is that it can't be quantitatively proven that it works. He stated he qualitatively knows it works and indicated that intentional data that will be provided in future reports.

President Paulson thanked CDO bijoux for the presentation and expressed excitement to learn there is internal development. In response to a request from President Paulson, CDO bijoux provided an example of his work and discussed the development of an internal professional development guide and reviewed its positive impact.

Vice President (VP) Rivera expressed appreciation for the efforts to reach out to staff so they know they are being heard. In response to Commissioner Rivera's question as to

whether there was any redundancy in the responses received from staff, CDO bijoux indicated that invalidation, dismissiveness, and a lack of organizational acknowledgment were common responses, indicating efforts are being made for constant improvement.

Commissioner Maxwell thanked CDO bijoux for his honesty and courage and for allowing staff the opportunity to do the same.

Public Comment

- *Francisco DaCosta noted an article by Dr. Kerr. He stated employees are suffering as a result of the pandemic and the hiring of temporary employees who have not been retained as a result of the hiring processes.*

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

None.

6. CONSENT CALENDAR

- a) Approve Contract No. CS-1415, Joint Funding Agreement with the U.S. Geological Survey, for Hydrologic Monitoring and Stream and Reservoir Gauge Maintenance on the Tuolumne River and its Tributaries, for an amount contributed by the San Francisco Public Utilities Commission not to exceed \$1,938,680 and with a duration of four years and 11 months. ([Resolution 24-0079](#))
- b) Approve Amendment No. 3 to Contract No. CS-389, Planning and Engineering Services Southeast Plant New 250 MGD Headworks Facility, with Carollo Engineering, Inc., increasing the contract amount by \$3,000,000, for a total not-to-exceed contract amount of \$57,500,000, with no change to the contract duration, to continue providing wastewater process facility engineering design and engineering support services during construction. ([Resolution 24-0080](#))
- c) Approve assignment and assumption for Grant Contract No. PRO.0195(G).K, Project Learning Partnership Grant, to transfer fiscal sponsorship from San Francisco Parks Alliance to Renaissance Parents of Success. ([Resolution 24-0081](#))
- d) Award Contract No. WD-2720, 8-Inch Ductile Iron Water Main Replacement, 16-Inch and 24-Inch Earthquake Resistant Ductile Iron Water Main Installation, Sewer Replacement, and Pavement Renovation on Coso and Precita Avenues from Coleridge to Bryant, to the responsible bidder that submitted the lowest responsive bid, Mitchell Engineering, in the amount \$8,633,150 and with a duration of 745 consecutive calendar days, to install approximately 3,100 feet of earthquake resistant ductile iron water conveyance pipe, 2,100 feet of ductile iron water conveyance pipe, 1,100 feet of sewer pipe, ancillary water service pipe, curb ramps, and pavement restoration. 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. ([Resolution 24-0082](#))
- e) Award Contract No. WD-2765, 8-Inch and 16-Inch Ductile Iron Water Main Replacement on Jersey Street from Douglass Street to Church Street and Various Street Locations, to the responsible bidder that submitted the lowest responsive bid, M. Squared Construction, Inc., in the amount of \$10,202,490 and with a duration of 731 consecutive calendar days, to

replace existing water mains in the Noe Valley neighborhood 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. ([Resolution 24-0083](#))

- f) Accept work performed by Precision Engineering, Inc., under Contract No. WW-679, Various Locations Sewer Replacement No. 8; approve Modification No. 3 (Final) increasing the contract amount by \$134,977 for a total contract amount of \$4,547,839, and no change to contract duration for a total contract duration of 573 consecutive calendar days to adjust 11the final contract quantities to the match the actual contract quantities; and authorize final payment to the contractor. ([Resolution 24-0084](#))
- g) Accept work performed by KJ Woods Construction, Inc., under Contract No. WW-711, Wawona Area Stormwater Improvement and Vicente Street Water Main Replacement; approve Modification No. 8 (Final) decreasing the contract amount by \$1,653,043, for a total contract amount of \$29,164,740 and decrease the contract duration by 35 consecutive calendar days for a new total contract duration of 964 consecutive calendar days; and authorize final payment to the contractor. ([Resolution 24-0085](#))
- h) Award Contract No. WW-725, Various Locations Sewer Replacement No. 14, to the responsible bidder that submitted the lowest responsive bid, JDB & Sons Construction, Inc., in the amount of \$7,987,500 and with a duration of 492 consecutive calendar days, to replace/line existing sewers on specified streets in the City and County of San Francisco. This action constitutes the Approval Action for the Project for the purposes of the California Environmental Quality Act (CEQA) pursuant to Section 31.04(h) of the San Francisco Administrative Code. The Planning Department has determined that this action is exempt from the CEQA. If the item is approved, the Commission will rely on that determination to make its decision. ([Resolution 24-0086](#))
- i) Award Contract No. WW-738, East SOMA Sewer Improvements, to the responsible bidder that submitted the lowest responsive bid, NTK Construction, Inc., in the amount \$10,802,800 with a duration of 425 consecutive calendar days, to rehabilitate and replace large diameter sewers and laterals on specified streets within the City and County 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. ([Resolution 24-0087](#))
- j) Award Contract No. WW-748, As-Needed Spot Sewer Replacement No. 45, to the responsible bidder that submitted the lowest responsive bid, J. Flores Construction Company, Inc., in the amount of \$9,881,978, with a duration of 400 consecutive calendar days, 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. ([Resolution 24-0088](#))

Ryan Freeborn, Project Manager, and Katie Miller, Director of Water Capital Projects, responded to a question from Commissioner Maxwell regarding items 6d and 6e and the use of earthquake pipes for the contract listed under item 6e but not for the contract listed under

item 6d. Director Miller added that installation of Kubota earthquake resistant pipe was an intentional pilot project for the contract under item 6e due to the proximity of the pipe to San Francisco General Hospital. She stated the cost and added value will be evaluated by staff for potential future projects.

Vice President Rivera discussed his previous work with the Japanese manufacturer of the Kubota pipe and noted the flexibility of the pipe during a seismic event.

No public comment.

On motion to approve the Consent Calendar:

Ayes: Paulson, Rivera and Maxwell

7. Public Hearing to consider and possible action to approve the scope, schedule, and budget of the March 2024 Proposed Revised Water System Improvement Program; and direct staff to send a Notice of Change Report to the State Water Resources Control Board and the Alfred E. Alquist Seismic Safety Commission in compliance with California Water Code Section 73500, et seq. (Resolution 24-0089)

Director Miller requested approval of the scope, schedule, and budget for the March 2024 Proposed revised Water System Improvement Program, and for direction to send a Notice of Change Report to the State Water Resources Control Board and the Alfred E. Alquist Seismic Safety Commission, in compliance with the California Water Code. She stated the program is 99% complete with three active projects remaining. She indicated the program was last revised in 2022 with three projects completed since that time. She discussed refinements and changes that are needed to the Regional Groundwater and Storage Recovery Project and the Alameda Creek Recapture Project.

Director Miller indicated that staff have met with Bay Area Water and Supply Conservation Agency (BAWSCA) staff to discuss the proposed changes and noted BAWSCA's comments that were provided to staff and the Commission. She indicated staff generally concur with BAWSCA's comments, including comments that another Notice of Change will be necessary in the future due to the potential additional changes to the Alameda Creek Recapture Project.

Public Comment

- *Nicole Sandkulla, BAWSCA CEO expressed appreciation for their meeting with staff and recommended approval. Written [comment](#) was provided.*

On Motion to approve item 7:

Ayes: Paulson, Maxwell, and Rivera

At the request of President Paulson, the Commission Secretary called items 8 and 9 together.

8. Public Hearing to consider and approve the Water Miscellaneous Fee schedule, which includes the revision of existing fees, elimination of certain fees, and adoption of new fees and charges related to the provision of water service within and outside the City and County of San Francisco. If approved, the proposed fees will become effective July 1, 2024 and will remain effective until revised. 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. ([Resolution 24-0090](#))

9. Public Hearing to consider and approve the Wastewater Miscellaneous Fee schedule, which includes the revision of existing fees and the adoption of new fees and charges related to the provision of sewer services within the City and County of San Francisco. If approved, the proposed fees will become effective July 1, 2024, and will remain effective until revised. 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. ([Resolution 24-0091](#))

Kristin Avenis, Rates Analyst, provided an overview of miscellaneous fees, indicating charges are for individual customers for optional services or as penalties and deposits. Revenues received reduce the need to increase retail rates, enhancing equity for rate payers.

Analyst Avenis discussed the miscellaneous fee study schedule which began in 2023 and will conclude in July 2024 with the adoption of the proposed miscellaneous fees. She provided definition of miscellaneous fee methodology which consists of (1) Cost of providing service (labor, overhead, and materials and equipment); (2) Policy screening (affordability considerations and penalties to incentivize compliance); and (3) Staff review (coordination with department managers, and executive review).

Rates Analyst Avenis provided examples of the cost of providing service calculations and discussed the evaluation of water and sewer fees, noting some are calculated through a separate process by the Real Estate Division, City Distribution's Flat Rate Study, and Water Quality.

*Rates Analyst Avenis discussed (1) **Proposed New Fees:** (1) Backflow Inspection Fee (charge to new water service applicants that require a backflow inspection at a cost of \$610 per applicant); and (2) After-hours Temporary Service Shut-down Fee (charge to customers requesting a temporary water shut-down on water service 3-inches or larger outside of normal business hours at a cost of \$1,519 (four-hour fee) or \$2,686 (eight-hour fee); and (2) **Proposed Fees to Eliminate:** (1) Flow Restricting Installations (penalty to install and remove a restricting flow device on non-compliant customers and charged to customer based on meter size. Not been used in the last decade); and (2) Pending Shutoff Notice Fees: (\$50 fee for posting a physical shut-off notice. The SFPUC does not physically post these notices unless there have been multiple unsuccessful attempts to contact the customer. Adding a \$50 charge to an already delinquent customer further burdens them).*

In response to a question from President Paulson, Rates Analyst Avenis stated that the majority of Water and Wastewater Fees are for commercial customers.

Rates Analyst Avenis and Erin Corvinova, Rates Administrator, responded to questions from Commissioner Maxwell regarding the Backflow Inspection Fee and to whom and when it is applied.

No public comment.

On Motion to approve item 8:

Ayes: Paulson, Maxwell, and Rivera

On Motion to approve item 9:

Ayes: Paulson, Maxwell, and Rivera

10. Approve the terms and conditions and authorize the General Manager to execute a Purchase and Sale Agreement and Easement Deed with San Mateo County Flood and Sea Level Rise Resiliency District for the acquisition of a 1,386-square-foot easement for an aerial water pipeline crossing and associated footings and braces across a portion of San Mateo County Assessor's Parcel No. 011-322-200 for \$70,000, subject to Board of Supervisors' and Mayor's approval. ([Resolution 24-0092](#))

Dina Brasil, Right-of-Way Manager, Real Estate Services, reviewed the Groundwater Phase 2B project, which will install a groundwater pump at the South San Francisco Main well site and an 8-inch pipeline within El Camino Real and Chestnut Avenue to transport groundwater to Cal Water's groundwater treatment plant. She discussed the needs for the easements and the status of negotiations for each site. Manager Brasil noted an error on the third Whereas Clause in the resolution that inadvertently indicate the installation of a 12-inch diameter groundwater pipeline, stating the installation is for an 8-inch diameter groundwater pipeline.

Manager Brasil reviewed the transaction details and noted a purchase price of \$70,000 (equal to the appraised value) and additional regular closing costs.

In response to a question from Commissioner Maxwell, Steve Ritchie, Assistant General Manager (AGM), Water Enterprise, discussed the decision-making process for placement of groundwater pumps.

No public comment.

On Motion to approve item 10 as amended:

Ayes: Paulson, Maxwell, and Rivera

11. Approve modification of the Green Infrastructure Grant Program Guidelines to raise the maximum cost per acre of impervious surface area managed by grant-funded projects from \$930,000 to \$1,035,000 and the maximum grant award per project from \$2,000,000 to \$2,500,000 to account for inflation; revise funding disbursement requirements for City Departments only; and revise program eligibility criteria and other program requirements. ([Resolution 24-0093](#))

Sarah Bloom, Senior Watershed Planner indicated since the program began in 2019, there have been 22 grants awarded totaling just over \$23 million, with five of the projects completed construction and the remaining in planning and design phases. She indicated the proposed modifications represent a collection of lessons-learned and are aimed at gaining efficiencies and maximizing program benefits. She highlighted substantial changes (1) increase the maximum cost per acre that the program awards from \$930,000 to \$1,035,000 per acre to account for inflation and to allow for full cost of design and construction of Green Infrastructure facilities; (2) increase per project maximum grant award from \$2 million to \$2.5 million to continue to award projects of a similar size as the cost per acre increases; (3) allow grantees to request grant amendment for additional funding if through the planning and design process it is discovered the project can handle manage additional stormwater performance; (4) expand definition of eligible projects to include projects that may be located in the public right-of-way;

and (5) revise grant disbursement process for projects awarded to other city departments to allow for more up-front construction funding.

No public comment.

On Motion to approve item 11:

Ayes: Paulson, Maxwell, and Rivera

12. Discussion and possible action on the process to recruit and select a new Commission Secretary.

President Paulson noted the need to establish the process to recruit and select a new Commission Secretary and asked Wendy Macy, Chief People Officer, to discuss the process.

Chief People Officer Macy stated the position will be recruited at the current classification of Manager I (0922) and with a new title of "Director of Commission Affairs". She discussed the posting process and indicated the position will be posted for a minimum of two weeks, longer if necessary, to establish an adequate pool of candidates to screen for possible forwarding to the interview stage.

President Paulson stated once a short list of qualified candidates is established that Human Resources Services will assemble a selection panel, which he will sit on as a representative of the Commission, as a committee of one. Once a top candidate is identified, President Paulson will bring the selection panel's recommendations to the full Commission for consideration.

No public comment.

13. Communications

- a) Advance Calendar
- b) Contract Advertisement Report
- c) Correspondence Log
- d) Declaration of Emergency WD-2924(E) Pine Lake Emergency Slope Restoration
- e) Water Supply Conditions Update

14. Items initiated by Commissioners

Commission Maxwell announced that her last Commission meeting will be April 23, 2024.

No public comment.

15. Public Comment on the matters to be addressed during Closed Session

None.

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

On Motion to assert the attorney-client privilege:

Ayes: Paulson, Maxwell, and Rivera

The Commission entered Closed Session at 2:54 PM.

Present in Closed Session: Commissioners Paulson, Maxwell, and Rivera; Dennis Herrera; General Manager; Ron Flynn, Deputy General Manager; Sheryl Bregman, Deputy City

Attorney; Estie Kus, Deputy City Attorney; Steve Ritchie, AGM Water Enterprise; Joel Prather, AGM Wastewater Enterprise; Stephen Robinson, AGM, Infrastructure Division; Donna Hood, Commission Secretary; and Cirilo Espinoza, Executive Assistant.

17. CONFERENCE WITH LEGAL COUNSEL regarding existing litigation (Government Code §54956.9(d)(1), San Francisco Administrative Code §67.10(d)(1)):

Michael Christopher Daniel v. Emrulkayes Akter, et al

Contra Costa County Superior Court Case No.: CGC-23-00311

Date Filed: May 23, 2022

Proposed authority under Code of Civil Procedure Section 998 to offer settlement of a personal injury claim with the City and County of San Francisco to pay Michael Daniel \$350,000, subject to approval by the Board of Supervisors. (Resolution 24-0094)

18. CONFERENCE WITH LEGAL COUNSEL regarding existing litigation (Government Code §54956.9(d)(1), San Francisco Administrative Code §67.10(d)(1)):

Jason Shaw v. City and County of San Francisco

Unlitigated File No.: 24-01033

Date Filed: December 7, 2023

Proposed settlement of unlitigated claim for property damage resulting from a water main rupture with the City to pay Jason Shaw \$33,384.31 in exchange for a full and final release, subject to final approval by the Board of Supervisors. (Resolution 24-0095)

19. CONFERENCE WITH LEGAL COUNSEL regarding existing litigation (Government Code §54956.9(d)(1), San Francisco Administrative Code §67.10(d)(1)):

Proposed settlements of unlitigated claims for property damage resulting from the September 10, 2023 break of a water transmission pipeline at the intersection of Fillmore and Green Streets, with the City to pay the claimants the settlement amounts as listed below, each in exchange for a full and final release. This approval is final under the delegated authority granted by the Board of Supervisors (Ordinance No. 20-24 (File No. 231273)).

Resolution	Claim No.	Date Filed	Claimant	Proposed Settlement Amount
24-0095	24-00645	October 6, 2023	Bamboo Wellness, Inc.	\$55,000.00
24-0097	24-00678	October 24, 2023	Bradley David Alexander	\$95,000.00
24-0098	24-0827	November 2, 2023	Farzaneh Fariba	\$30,000.00

20. CONFERENCE WITH LEGAL COUNSEL pursuant to California Government Code, Section 54956.9(d)(1), and San Francisco Administrative Code, Section 67.10(d)(1))

Update on existing litigation matters related to the December 31, 2022 storm: Rivas, et al. v. City & County of San Francisco, et al. (San Francisco Superior Court Case No. CGC-23-607963), date filed 7/28/2023; Everest Nat'l Ins. Co. v. City & County of San Francisco, et al. (San Francisco Superior Court Case No. CGC-23-608016), date filed 7/31/2023; Armstrong, et al. v. City & County of San Francisco, et al. (San Francisco Superior Court Case No. CGC-23-

608635), date filed 8/24/2023; Alioto et al. v. City & County of San Francisco, et al. (San Francisco Superior Court Case No. CGC-23-608652), date filed 8/24/2023; Cincinnati Ins. Co. a/s/o Ron Conway v. City & County of San Francisco et al. (San Francisco Superior Court Case No. CGC-24-611633), date filed 1/12/2024; Sullivan v. City & County of San Francisco et al. (San Francisco Superior Court Case No. CGC-24-613193), date filed 3/18/2024.

21. CONFERENCE WITH LEGAL COUNSEL pursuant to California Government Code, Section 54956.9(d)(1), and San Francisco Administrative Code, Section 67.10(d)(1):

Various unlitigated claims regarding San Francisco's combined sewer system operations.

The Commission exited Closed Session at 3:28 PM.

22. Announcement following Closed Session

President Paulson stated that the Commission recommends the Board of Supervisors approve the settlement referenced under items 17, 18, and 19.

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

On Motion not to disclose:

Ayes: Paulson, Maxwell, and Rivera

24. Adjournment

President Paulson adjourned the meeting at 3:30 PM.