



PUBLIC UTILITIES REVENUE BOND OVERSIGHT COMMITTEE CITY AND COUNTY OF SAN FRANCISCO MINUTES

REMOTE MEETING

January 17, 2023 - 9:00 AM

Regular Meeting

Mission: The Revenue Bond Oversight Committee (RBOC) monitors the expenditure of revenue bond proceeds related to the repair, replacement, upgrade and expansion of the SFPUC's water, power and sewer infrastructure. The RBOC provides independent oversight to ensure transparency and accountability. The RBOC's goal is to ensure that SFPUC revenue bond proceeds are spent for their intended purposes in accordance with legislative authorization and other applicable laws.

1. Call to Order, Roll Call, and Agenda Changes

Chair Leale called the meeting to order at 9:11 a.m. On the call of the roll, Chair Leale and Members Kamp, Veuthey, Tang, and Holober were noted present. A quorum was present.

There were no agenda changes.

2. Findings to Allow Teleconferenced Meetings During Declared Emergency

Heard in Committee. Public Comment: None.

ADOPT FINDINGS as required by California Government Code, Section 54953(e) that 1) the Committee has considered the circumstances of the state of emergency; 2) the state of emergency continues to directly impact the ability of policy body members to meet safely in person; and 3) state or local officials continue to impose or recommend measures to promote social distancing.

Chair Leale, seconded by Member Kamp, moved to adopt the findings to allow teleconferenced meetings for an additional 30 days. The motion PASSED by the following vote:

Ayes: 5 - Leale, Kamp, Veuthey, Tang, Holober

3. Public Comment

David Pilpel recommended that the city issue RBOC members sfgov.org email addresses.

4. RBOC: Audit Update

Heard in Committee. Massandra D'Johns (City Services Auditor, Office of the Controller); Paul Pocalyko and Eugene Yano (HKA Associates); provided updates and responded to questions from the committee.

Public Comment: None.

Chair Leale, seconded by Member Kamp, moved to continue the agenda matter to the February 14, 2023 RBOC meeting. The motion PASSED by the following vote:

Ayes: 5 - Leale, Kamp, Veuthey, Tang, Holober

5. RBOC: Planning for Future Audits

Heard in Committee. Member Tang shared discussion questions related to a sample request for proposals on a 2016 audit of Moscone Convention Center Operations, and requested that the members of RBOC review the questions in preparation for future audit proposals.

Public Comment: David Pilpel shared concerns about the scope of work, deliverables, and budget for the draft request for proposals under discussion.

Member Tang, seconded by Member Veuthey, moved to continue the agenda matter to the February 14, 2023, RBOC meeting. The motion PASSED by the following vote:

Ayes: 5 - Leale, Kamp, Veuthey, Tang, Holober

6. RBOC: Draft Annual Report

Heard in Committee. Chair Leale provided a summary on the progress of the draft Annual Report and thanked individuals who have contributed to the report. Members Kamp and Holober shared concerns about the forthcoming SFPUC Bond Expenditure Certification letter. Nikolai Sklaroff (SFPUC) and Mark Blake (Office of the City Attorney); answered questions raised throughout the discussion.

Public Comment: David Pilpel offered several formatting and structural suggestions, and pointed out typos in the draft annual report.

Chair Leale, seconded by Member Veuthey, moved to continue the agenda matter to the February 14, 2023, RBOC meeting. The motion PASSED by the following vote:

Ayes: 5 - Leale, Kamp, Veuthey, Tang, Holober

7. Approval of December 13, 2022, RBOC Meeting Minutes

Heard in Committee. Public Comment: David Pilpel provided suggestions regarding the form of meeting minutes.

Member Kamp, seconded by Member Holober, moved to approve the December 13, 2022, meeting minutes. The motion PASSED by the following vote:

Ayes: 5 - Leale, Kamp, Veuthey, Tang, Holober

8. Announcements, Comments, Questions, and Future Agenda Items

Heard in Committee. Member Holober shared concerns about RBOC returning to in-person meetings following the expiration of the various emergency orders which permit hybrid remote meetings. Nikolai Sklaroff (SFPUC) and Mark Blake (Office of the City Attorney); responded to questions from the Committee.

Public Comment: David Pilpel suggested removing topics D and E from the list of potential Future Agenda Items listed on the following page.

RBOC will meet on the following dates:

- *February 14, 2023;*
- *March 14, 2023; and*
- *April 11, 2023.*

RBOC is tracking the following topics and issues as potential Future Agenda Items:

- A. A Request that Sewer System Improvement Program (SSIP) Quarterly reports include information on the Stormwater Management System, and details on the bidding climate and possible cost increases;
- B. SFPUC: Water System Improvement Program Update;
- C. SFPUC: Power Enterprise and Clean Power SF Update;
- D. SFPUC: State Federal Loan Updates;
- E. SFPUC: Staff Report: Environmental Justice;
- F. RBOC: Acquiring consultant to examine expected performance of complete projects;
- G. RBOC: Discussion on the 2015 report, entitled "[Evaluation of Lessons Learned from the WSIP Program](#)," to identify procedures and reporting processes from the Water System Improvement Program which may be applied to SSIP;
- H. SFPUC: Discussion of Finding 2 of the [SFPUC Performance Audit of Select Revenue Bond Expenditures dated December 23, 2021](#)
Finding 2: "The Quality Assurance Audit Function Was Not Operational From June 2017 Through November 2020"
(Stephen Robinson, AGM of Infrastructure)
(May be scheduled for a regular meeting in April 2023)

9. Adjournment

There being no further business, the meeting adjourned at 10:14 a.m.

N.B. The Minutes of this meeting set forth all actions taken by the Revenue Bond Oversight Committee on the matters stated but not necessarily in the chronological sequence in which the matters were taken up.

Approved: March 14, 2023
Public Utilities Revenue Bond Oversight Committee