



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

REMOTE MEETING

March 8, 2022 - 9:00 AM

Regular Meeting

Remote Access to Information and Participation

On March 17, 2020, the Board of Supervisors authorized their Board and Committee meetings to convene remotely (via Microsoft Teams) and will allow remote public comment via teleconference.

Members of the public may participate by phone or may submit their comments by email to: RBOC@sfgov.org; all comments received will be made a part of the official record. Revenue Bond Oversight Committee agendas and their associated documents are available at: <https://sfpuc.org/about-us/boards-commissions-committees/revenue-bond-oversight-committee>

As the COVID-19 disease progresses, please visit the Board's website (www.sfbos.org) regularly to be updated on the current situation as it affects the legislative process. For more information contact Assistant Clerk Victor Young at (415) 554-7723.

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

Members:

- Seat 1 Ettore Leale, Chair
- Seat 2 Lars Kamp
- Seat 3 Vacant
- Seat 4 Vacant
- Seat 5 Vacant
- Seat 6 Christina Tang
- Seat 7 Reuben Holober

Chair Leale called the meeting to order at 9:02. On the call of the roll, Chair Leale and Members Kamp, Tang, and Holober were noted present. A quorum was present.

There were no agenda changes.

2. RBOC: Findings to Allow Teleconferenced Meetings During Declared Emergency

Proposed Motion: ADOPT FINDINGS as required by Assembly Bill 361 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 Tang moved to ADOPT FINDINGS as required by Assembly Bill 361 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.

Public Comment: None.

The motion PASSED by the following vote:

Ayes: Leale, Kamp, Tang, Holober

Noes: None

3. **Public Comment:** Members of the public may address the Revenue Bond Oversight Committee (RBOC) on matters that are within the RBOC’s jurisdiction but are not on today’s agenda.

Speakers:

Lois Scott stated that she has become aware of the RBOC meeting and commended the RBOC for the packet and expressed concern over the RBOC sunset in 2025.

David Pilpel provided general comments and provided information on the RBOC sunset committee.

Victor Young (RBOC Clerk) informed Lois that there are vacancies on the committee that may be of interest to her if she would like to be considered for appointment.

4. **SFPUC:** Hearing on Finding #1 of the RBOC Performance Audit - update on the implementation of the recommendation to improve visibility of bond proceeds expenditures by Nancy Hom, Deputy Chief Financial Officer, SFPUC.

Irella Blackwood (SFPUC) joined the meeting, in lieu of Nancy Hom, to answer questions from the committee. Ms. Blackwood confirmed that SFPUC are identifying proper oversight developing of report is in progress. Mike Brown (SFPUC) commented stating they will be returning to RBOC with a proposal to confirm what is needed in the report for the audit.

Chair Leale confirmed: In 1-2 months, they will present template of what the report might look like, but implementation will begin at the end of the calendar year.

Member Kamp, seconded by Member Holoher, moved to Continue the Matter to May 17, 2022

Public Comment:

David Pilpel commented on various suggestions for audit report.

The motion PASSED by the following vote:

Ayes: Leale, Kamp, Tang, Holoher

Noes: None

5. **RBOC:** RBOC audits - Overview of process, confidentiality, procedures, and RBOC- City Services Auditor (CSA) engagement framework – Presentation by Deputy City Attorney Mark Blake.

Chair Leale attributed this agenda item to Mr. Pilpel who made a comment about the engagement framework between CSA, PUC, and RBOC.

Mark Blake (SFPUC) responded to questions from the Committee and made suggestions for next audit.

Public Comment:

David Pipel made various comments and suggestions regarding the audit and the confidentiality of the report.

No action taken on the matter.

6. **RBOC:** Planning for next RBOC audit - Presentation on suggested approaches by CSA and HKA/Yano.

Hunter Wang and Massanda Djohns (Office of the Controller); Paul Pocalyko (HKA) responded to questions from the Committee and gave a general overview of what is expected with the audit.

The Committee agrees that suggested including and identifying three components in report would be helpful: lesson learned, process documentation and answering the actual deliverable of the audit.

Member Holober, seconded by Chair Leale, moved to Continue the Matter to April 19, 2022.

Public Comment:

David Pipel provided comments about confidentiality provisions with CSA noted on the last item and questioned if there was funding and an existing arrangement.

The motion PASSED by the following vote:

Ayes: Leale, Kamp, Tang, Holober

Noes: None

7. **RBOC:** Planning for potential future audits to evaluate the performance of projects funded by revenue bonds.

Chair Leale suggested to move this item to the next meeting. Member Tang informed the Committee that they were unable to find someone with experience on this type of project. The Chair made suggestion to reach out to FEMA. Hunter Wang (Office of the Controller) informed the Committee that they were reaching out to the SFMTA and the SF Airport who may have experience with this type of report.

Chair Leale, seconded by Member Tang, moved to Continue the matter to April 19, 2022.

The motion PASSED by the following vote:

Public Comment:

None.

Ayes: Leale, Kamp, Tang, Holober

Noes: None

8. **SFPUC:** RBOC Member recruitment update.

The Committee discussed potential recruitments for Committee vacancies and their progress.

Public Comment:

None.

No action taken on the matter.

9. **SFPUC:** Site Tour planning.

Mike Brown (SFPUC) informed the Committee that Hetch Hetchy is currently only allowing virtual tours and will follow up to see when in person site tours will be allowed.

Member Holober suggested doing a site visit at Oceanside Plant. Member Kamp stated that he would like to suggest the Committee investigate local in person site tours in lieu of Hetch Hetchy. Member Tang expressed comfort in virtual site tours.

Public Comment:

None.

No action taken on the matter.

10. **Approval of Minutes:** February 15, 2022, Meeting Minutes.

Member Kamp, seconded by Member Holober, moved to Continue the Matter to the April 19, 2022, meeting.

Public Comment:

David Pipel noted that he has suggested edits to be discussed with Victor Young directly.

The motion PASSED by the following vote:

Ayes: Leale, Kamp, Tang, Holober

Noes: None

11. **Announcements, Comments, Questions, and Future Agenda Items.**

Upcoming Meeting Dates: April 19, 2022, May 17, 2022, June 14, 2022, and July 19, 2022.

Items for the next meeting:

- A. SFPUC: Water Infrastructure Update (April 2022)
- B. SFPUC: Bond Issuance Update (April 2022)
- C. SFPUC: Hearing on Finding #2 of the RBOC Performance Audit – Presentation on the Quality Assurance Audit Function of the Infrastructure Division, Infrastructure Division, SFPUC. (April 2022)

- D. RBOC: Planning for next RBOC audit - Presentation on suggested approaches by CSA and HKA/Yano.
- E. RBOC: Planning for potential future audits to evaluate the performance of projects funded by revenue bonds

Pending Issues:

- A. Request that SSIP Quarterly reports include information on Stormwater Management System and details on the bidding climate and possible cost increase)
- B. RBOC: Acquiring consultant to examine expected performance of complete projects.
- C. SFPUC: Staff Report: Environmental Justice
- D. SFPUC: Power Enterprise and Clean Power SF Update
- E. SFPUC: Mountain Tunnel Site Tour
- F. SFPUC: State Federal Loan Updates
- G. SFPUC: Oceanside Wastewater Plant Tour
- H. RBOC: Discussion on the 2015 report, entitled "Evaluation of Lessons Learned from the WSIP Program," procedures and reporting processes taken from WSIP applied to SSIP
- I. SFPUC: Wastewater System Improvement Program Update
- J. RBOC: Discussion on the coordination of PUC Site Tours
- K. SFPUC: Water Infrastructure Update (April 2022)
- L. SFPUC: Bond Issuance Update (April 2022)
- M. SFPUC: Hearing on Finding #2 of the RBOC Performance Audit – Presentation on the Quality Assurance Audit Function of the Infrastructure Division, Infrastructure Division, SFPUC. (April 2022)
- N. SFPUC: Hearing on Finding #1 of the RBOC Performance Audit - update on the implementation of the recommendation to improve visibility of bond proceeds expenditures by Nancy Hom, Deputy Chief Financial Officer, SFPUC.
- O. May 17, 2022.

The Committee approved the items for next meeting and confirmed the dates for future meetings: April 19, May 17, June 14, July 19, 2022.

Public Comment:

David Pipel made general comments on the future meeting dates.

12. Adjournment

The meeting adjourned at 11:23 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 by the RBOC: April 19, 2022.

Agenda Item Information

Each item on the agenda may include: 1) Department or Agency cover letter and/or report; 2) Public correspondence; 3) Other explanatory documents. For more information concerning agendas, minutes, and meeting information, such as these documents, please contact RBOC Clerk, City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102 – (415) 554-5184.

Audio recordings of the meeting of the Revenue Bond Oversight Committee are available at:
http://sanfrancisco.granicus.com/ViewPublisher.php?view_id=97

For information concerning San Francisco Public Utilities Commission please contact by e-mail RBOC@sfgov.org or by calling (415) 554-5184.