



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

**REMOTE MEETING**

**April 12, 2021 - 9:00 AM**

**Regular Meeting**

**Remote Access to Information and Participation**

In accordance with Governor Newsom's Executive Order No. N-33-20 declaring a State of Emergency regarding the COVID-19 outbreak and Mayor London N. Breed's Proclamation declaring a Local Emergency issued on February 25, 2020, including the guidance for gatherings issued by the San Francisco Department of Public Health Officer, aggressive directives were issued to reduce the spread of COVID-19. 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: [brent.jalipa@sfgov.org](mailto:brent.jalipa@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://www.sfwater.org/index.aspx?page=121>

As the COVID-19 disease progresses, please visit the Board's website ([www.sfbos.org](http://www.sfbos.org)) regularly to be updated on the current situation as it affects the legislative process. For more information contact Assistant Clerk Brent Jalipa at (415) 554-7712.

**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 9:03 a.m. 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. **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.

Public Comment:

None

3. **RBOC: Audit Update**

Dan Dawson, and Paul Pocalyko (HKA); Eugene Yano (Yano Accountancy Corporation); Richard Morales, and Mike Brown (San Francisco Public Utilities Commission); provided a status update on the audit and responded to questions throughout the discussion.

No action taken.

4. **RBOC: 2020 Annual Report**

Mike Brown (San Francisco Public Utilities Commission); Mark Blake (City Attorney’s Office); answered questions throughout the discussion.

Public Comment:  
None

No action taken.

5. **Approval of Minutes: March 11, 2021, Meeting Minutes.**

**Member Tang, seconded by Member Holober, moved that the March 11, 2021, Meeting Minutes be APPROVED as presented.**

Public Comment:  
None

**The motion PASSED by the following vote:**

Ayes: Leale, Kamp, Tang, Holober  
Noes: None

6. **RBOC: Election of Officers**

Member Tang, seconded by Member Holober nominated Member Leale as Chairperson. The nomination for Member Leale as Chairperson was carried by the following vote:

Ayes: Leale, Kamp, Tang, Holober  
Noes: None

Member Leale, seconded by Member Holober, moved to rescind the previous vote to allow the opening of public comment. The motion was carried by the following vote:

Ayes: Leale, Kamp, Tang, Holober  
Noes: None

Public Comment:  
None

**Member Tang, seconded by Member Holober moved to APPROVE the nomination of Member Leale as Chairperson.**

**The motion PASSED by the following vote:**

Ayes: Leale, Kamp, Tang, Holober  
Noes: None

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

Upcoming Meeting Dates: May 10, 2021, and June 7, 2021

The RBOC requested the following items be scheduled for the next RBOC meeting:

RBOC: Audit Update (*Discussion and possible action*)

RBOC: Amending Bylaws - Definition of "Reporting Period" for the Annual Report  
(*Discussion and possible action*)

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 (*Discussion and possible action*)
- 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. RBOC: 2020 Annual Report (*Discussion and possible action*) (October)
- J. SFPUC: Planning for next RFP's for contracts (October)

Public Comment:

None

No action taken.

**8. Adjournment**

The meeting adjourned at 9:59 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: DRAFT

# Revenue Bond Audit – RBOC Status Update: April 12, 2021



## Recurring Meetings

- Bi-weekly calls with CSA
- Standing Weekly calls with PUC and CSA
  - Review information request log
  - Identify relevant personnel to address our questions
  - Schedule follow-up meetings with relevant PUC personnel to discuss questions in-depth

PUC Accounting team has been very helpful with facilitating requests and addressing audit inquiries

## Vendor Document Requests – Contracts, Change Orders, and Pay Applications

- Initial Comprehensive document request sent to PUC
- Held call with Nancy et al regarding our info requests and how to overcome obstacles
- Received approval from Nancy on our proposed method to initiate requests
- Sent PUC a revised document request (3 Vendors Sampled)
  - Documents received from PUC/Infrastructure
- Sent PUC second document request
  - Documents received from PUC/Infrastructure (Pay applications only)
- Infrastructure voiced concerns regarding the level of effort required to meet our requests
- Meeting with Infrastructure to understand effort and resources required to obtain documents
  - Received WSIP CO logs
  - Received Shortlist of projects in Engineering Archives
- April 13<sup>rd</sup> – Follow-up meeting schedule with Infrastructure

**1<sup>st</sup> Doc Request: Comprehensive** Feb 8<sup>th</sup> – Feb 9<sup>th</sup> PUC does not have access to document archives

**Revised Request: 3 Vendors Sampled** Feb 11<sup>th</sup> – Feb 27<sup>th</sup> PUC liaison with Infrastructure to obtain documents

**Suppl. Request: Add'l Vendors** Mar 5<sup>th</sup> – Mar 16<sup>th</sup> Infrastructure voiced concerns regarding the level of effort required to meet our requests

**In process of modifying doc. requests based on system limitations** Mar 23<sup>rd</sup> – Present We are working to establish direct lines of communication between the Audit Team and Infrastructure to facilitate document requests

## Audit Team Concerns

- Majority of project documents are not only in paper format
  - Retrieval is time-consuming due to COVID
- Documents for projects Identified in our Risk Assessment are not archived in electronic format
- Limited resources within Infrastructure to retrieve documents

Delays are affecting the flow of critical information required to conduct the audit. This will impact our ability to deliver a draft report on schedule.

## In Summary

- Multiple parties involved, resulting in scheduling conflicts
- Lack of communication across PUC/Infrastructure in the early Audit stages
- Audit is not progressing as anticipated

