



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

**Public Utilities Commission Building
525 Golden Gate Ave., 2nd Floor
Yosemite Conference Room
San Francisco, CA 94102**

May 9, 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

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|---------------|-----------------------|
| Seat 1 | Ettore Leale, Chair |
| Seat 2 | Lars Kamp, Vice Chair |
| Seat 3 | <i>Vacant</i> |
| Seat 4 | Claire Veuthey |
| Seat 5 | <i>Vacant</i> |
| Seat 6 | Christina Tang |
| Seat 7 | Reuben Holober |

Chair Leale called the meeting to order at 9:12 a.m. On the call of the roll, Chair Leale and Members Veuthey, Tang, and Holober were noted present. Vice Chair Kamp was noted absent.

There were no agenda changes.

2. Public Comment

Eileen Boken shared various concerns related to the Oceanside wastewater treatment plant, California Proposition 218, the closure of the Great Highway, the Ocean Beach Master Plan and the Earthquake Safety and Emergency Response Bond Program. David Pilpel shared various concerns about the remote meeting operations.

3. RBOC: Audit Update

Hunter Wang (City Services Auditor, Office of the Controller) shared updates on the status of the ongoing audit, and responded to questions from the committee. The new audit should be released in time for the June RBOC meeting.

Public Comment: None.

Member Holober, seconded by Member Veuthey, moved to continue the agenda matter to the June 6, 2023, RBOC meeting. The motion PASSED by the following vote:

Ayes: 4 - Leale, Veuthey, Tang, Holober

Absent: 1 - Kamp

Vice Chair Kamp was noted present at 9:23 a.m.

4. RBOC: Planning for Future Audits

Massandra D'Johns (City Services Auditor, Office of the Controller); provided updates and responded to questions from the committee. Member Tang requested that RBOC members review and provide feedback on the second draft request for proposals (RFP) once it is presented. RBOC may consider the RFP for approval in August of 2023.

Public Comment: None.

Member Holober, seconded by Member Veuthey, moved to continue the agenda matter to the June 6, 2023, RBOC meeting. The motion PASSED by the following vote:

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

5. SFPUC: Future Site Visits

Chair Leale requested that three members of RBOC indicate their commitment to attend the site visit to Hetch Hetchy facilities over May 30 through 31. Members Kamp, Veuthey, and Holober committed to attending the site visit. The site visit will not be conducted as a public meeting due to the fact that a quorum of RBOC will not be present.

Public Comment: David Pilpel expressed his continued desire to attend the site visit.

There was no action taken.

6. SFPUC: Discussion of Finding 2 of the SFPUC Performance Audit of Select Bond Expenditures

Eugene Yano (HKA Associates); provided opening remarks on the SFPUC Performance Audit of Select Bond Expenditures. Stephen Robinson, Assistant General Manager (San Francisco Public Utilities Commission); provided a presentation entitled “[Revenue Bond Oversight Committee Quality Assurance Program](#),” addressing progress on Finding 2 since September 2022; and responded to questions from the committee.

Public Comment: David Pilpel requested access to the presentation materials from the Assistant General Manager.

There was no action taken.

7. SFPUC: Update on the Results of the Sale of 2023 Wastewater Revenue Bonds

Edward Kwong and Dan Fuchs (San Francisco Public Utilities Commission); provided a presentation entitled “[Results of Recent Negotiated Bond Sale for Wastewater Enterprise](#)” and responded to questions from the committee.

Public Comment: David Pilpel thanked SFPUC staff for their work.

There was no action taken.

8. Approval of April 11, 2023 RBOC Meeting Minutes

Clerk Carroll indicated he would make a clerical correction to the April 11, 2023 meeting Minutes.

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

Member Holober, seconded by Member Tang, moved to approve the April 11, 2023, meeting minutes with clerical changes. The motion PASSED by the following vote:

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

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

RBOC will meet on the following dates:

- *June 6, 2023;*
- *August 1, 2023; and*
- *September 12, 2023*

Public Comment: David Pilpel requested clarification on the RBOC meeting dates.

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”
(May be scheduled as a follow-up to the May 9, 2023 meeting in Spring 2024)*

10. Adjournment

There being no further business, the meeting adjourned at 10:27 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: June 6, 2023
Public Utilities Revenue Bond Oversight Committee