



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

AGENDA

**Public Utilities Commission Building
525 Golden Gate Ave., 3rd Floor
Tuolumne Conference Room
San Francisco, CA 94102**

Listen/Public Call-In Phone Number

[\(415\) 906-4659](tel:(415)906-4659)

[Conference ID: 243 304 714 #](#)

**Join on your computer, mobile app or room device
Click here to join the meeting**

Tuesday, May 14, 2024 - 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.

Remote Access to Information and Participation

RBOC convenes hybrid meetings that allow in-person attendance, in-person public comment (prioritized before remote public comment), remote access, and remote public comment via teleconference (<https://sfbos.org/remote-meeting-call>). Members of the public may also submit their comments by email to RBOC@sfgov.org; all comments received will be made a part of the official record.

1. Call to Order and Roll Call

Seat 1	<i>Vacant</i>
Seat 2	Lars Kamp
Seat 3	Jason Leung
Seat 4	Claire Veuthey, Vice Chair
Seat 5	<i>Vacant</i>
Seat 6	Abby Veesser
Seat 7	Reuben Holober, Chair

2. General Public Comment: Members of the public may address RBOC on matters that are within RBOC jurisdiction and not on this agenda.

3. RBOC: Audit Update

*Members of RBOC shall discuss the status of ongoing audits.
Discussion and possible action.
(Public Comment)*

4. SFPUC: Wastewater Enterprise Update

*Members of RBOC shall receive an update on the Wastewater Enterprise.
Discussion.*

*[Attachment: Wastewater Enterprise Capital Improvement Program Presentation](#)
(Public Comment)*

5. SFPUC: Power Enterprise Update

*Members of RBOC shall receive an update on the Power Enterprise.
Discussion.*

*[Attachment: Power Enterprise Capital Improvement Program Presentation](#)
(Public Comment)*

6. RBOC: Site Visit Report

*Members of RBOC shall discuss the May 10, 2024 site visit to the Southeast Treatment Plant.
Discussion.
(Public Comment)*

7. RBOC: Planning for Future Audits

*Members of RBOC shall discuss planning for future audits, to evaluate the performance of projects funded by Revenue Bonds.
Discussion and possible action.
(Public Comment)*

8. Minutes Approval – April 9, 2024 Regular Meeting

Discussion and action.

Attachment: [April 9, 2024 RBOC Regular Meeting Minutes](#)

(Public Comment)

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

Discussion and possible action.

(Public Comment)

RBOC has scheduled the following meeting dates in 2024:

- *June 11, 2024;*
- *July 9, 2024;*
- *August 13, 2024;*
- *September 10, 2024;*
- *October 8, 2024;*
- *November 12, 2024; and*
- *December 10, 2024*

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

- A. *SFPUC: State Federal Loan Updates;*
- B. *SFPUC: Staff Report: Environmental Justice;*
- C. *RBOC: Acquiring consultant to examine expected performance of completed projects;*
- D. *RBOC: Discussion of 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;*
- E. *SFPUC: Discussion of Finding 2 of the SFPUC Performance Audit of Selected Revenue Bond Expenditures dated December 23, 2021*
- F. *SFPUC: Water Enterprise Update
(May be scheduled in Spring 2025)*

10. Adjournment

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
rbooc@sfgov.org
(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

Meeting Procedures

Public Comment will be taken before or during the Committee's consideration of each agenda item. Speakers may address the Committee for up to three minutes on that item. During General Public Comment, members of the public may address the Committee on matters that are within the Committee's jurisdiction and are not on the agenda.

Procedures do not permit: 1) persons in the audience to vocally express support or opposition to statements by Commissioners by other persons testifying; 2) ringing and use of cell phones, pagers, and similar sound-producing electronic devices; 3) bringing in or displaying signs in the meeting room; and 4) standing in the meeting room.

The ringing of and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing or use of a cell phone, pager, or other similar sound-producing electronic devices.

LANGUAGE INTERPRETERS: Requests must be received at least 48 hours in advance of the meeting to help ensure availability. Contact Wilson Ng (415) 554-5184. AVISO EN ESPAÑOL: La solicitud para un traductor debe recibirse antes de mediodía de el viernes anterior a la reunion. Llame a Wilson Ng o Arthur Khoo (415) 554-5184. PAUNAWA: Ang mga kahilingan ay kailangang matanggap sa loob ng 48 oras bago mag miting upang matiyak na matutugunan ang mga hiling. Mangyaring tumawag kay sa (415) 554-5184.

Americans with Disabilities Act (ADA)

Revenue Bond Oversight Committee meetings are held at the Public Utilities Commission, 525 Golden Gate Avenue, San Francisco, CA. The hearing rooms at the Public Utilities Commission are specified on the agenda and are wheelchair accessible. To request sign language interpreters, readers, large print agendas or other accommodations, please call (415) 554-5184. Requests made at least 48 hours in advance of the meeting will help to ensure availability.

Know Your Rights Under The Sunshine Ordinance

Government's duty is to serve the public, reaching its decision in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For information on your rights under the Sunshine Ordinance (San Francisco Administrative Code, Chapter 67) or to report a violation of the ordinance, contact by mail Sunshine Ordinance Task Force, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco CA 94102; phone at (415) 554-7724; fax at (415) 554-5163; or by email at sotf@sfgov.org. Citizens may obtain a free copy of the Sunshine Ordinance by printing the San Francisco Administrative Code, Chapter 67, on the Internet at <http://www.sfbos.org/sunshine>.

Ethics Requirements

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Campaign & Governmental Conduct Code, Section 2.100] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the San Francisco Ethics Commission at 25 Van Ness Avenue, Suite 220, San Francisco, CA 94102; telephone (415) 252-3100; fax (415) 252-3112; website <http://www.sfgov.org/ethics>. Under Campaign and Governmental Conduct Code, Section 1.127, no person or entity with a financial interest in a land use matter pending before the Board of Appeals, Board of Supervisors, Building Inspection Commission, Commission on Community Investment and Infrastructure, Historic Preservation Commission, Planning Commission, Port Commission, or the Treasure Island Development Authority Board of Directors, may make a campaign contribution to a member of the Board of Supervisors, the Mayor, the City Attorney, or a candidate for any of those offices, from the date the land use matter commenced until 12 months after the board or commission has made a final decision, or any appeal to another City agency from that decision has been resolved. For more information about this restriction, visit www.sfethics.org.

Lobbyist Registration and Reporting Requirements

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Campaign & Governmental Conduct Code, Section 2.100, et. seq.] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at: 25 Van Ness Avenue, Suite 220, San Francisco, CA 94102; telephone (415) 581-3100; fax (415) 252-3112; website www.sfgov.org/ethics.



May 14, 2024

Wastewater Capital Programs Update Revenue Bond Oversight Committee

Bessie Tam, Wastewater Capital Programs Director
Infrastructure Division

PURPOSE:

Update on the 10-year Wastewater Capital Budget (FY25-34)

AGENDA:

1. WWE Capital Plan Development Process
2. WWE Capital Plan Financial Summary
3. Major New Projects
4. Key Projects Underway



Wastewater Capital Plan (FY25 - 34)

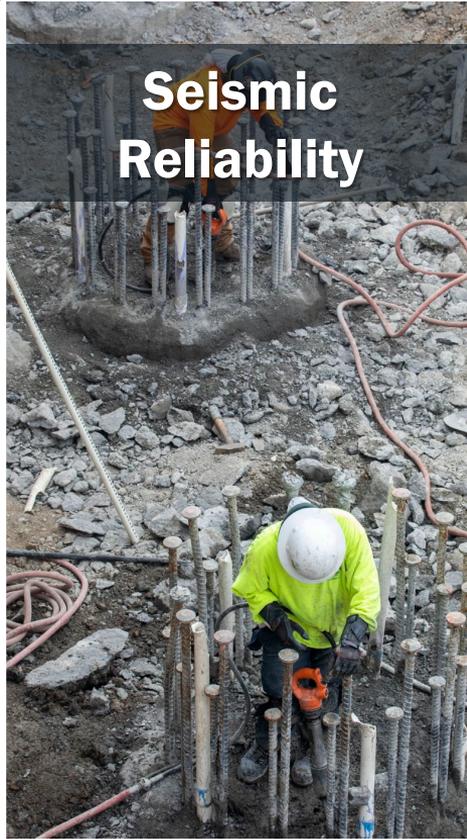
Capital Plan Development Process

Capital Plan – Project Drivers

**Operational
Reliability**



**Seismic
Reliability**



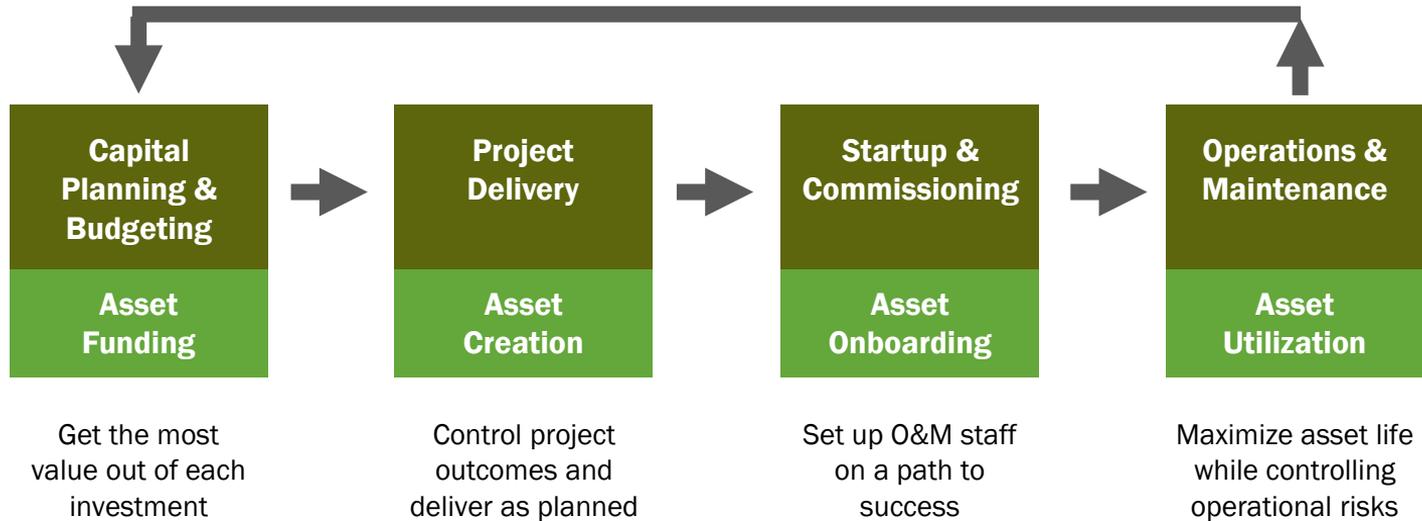
**Health, Safety
& Security**



**Stormwater
Management**



An integral part of the never-ending asset lifecycle



Capital Planning Strategy

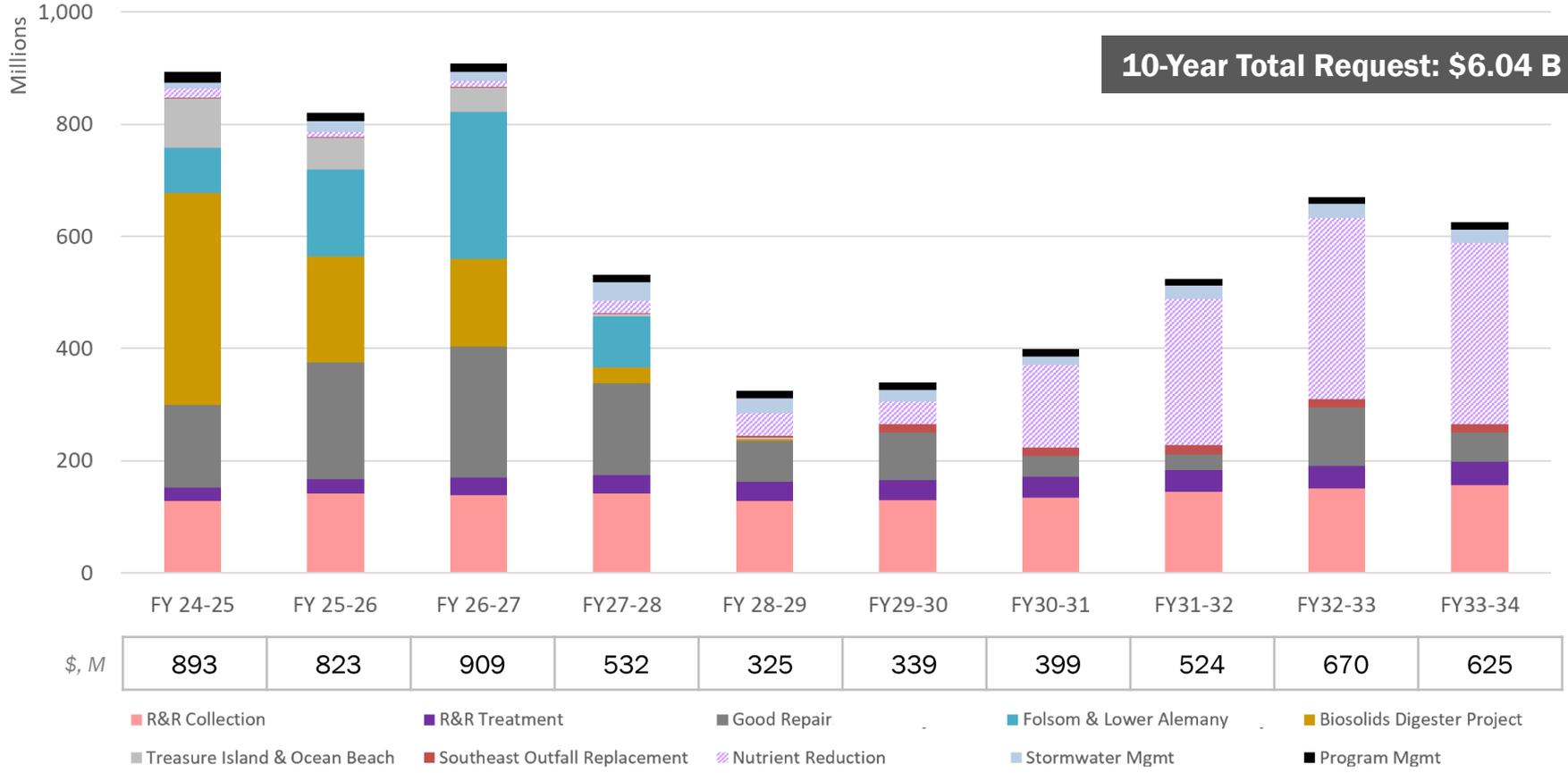
Adaptively managed for sustainable delivery



Wastewater Capital Plan (FY25 - 34)

Financial Summary

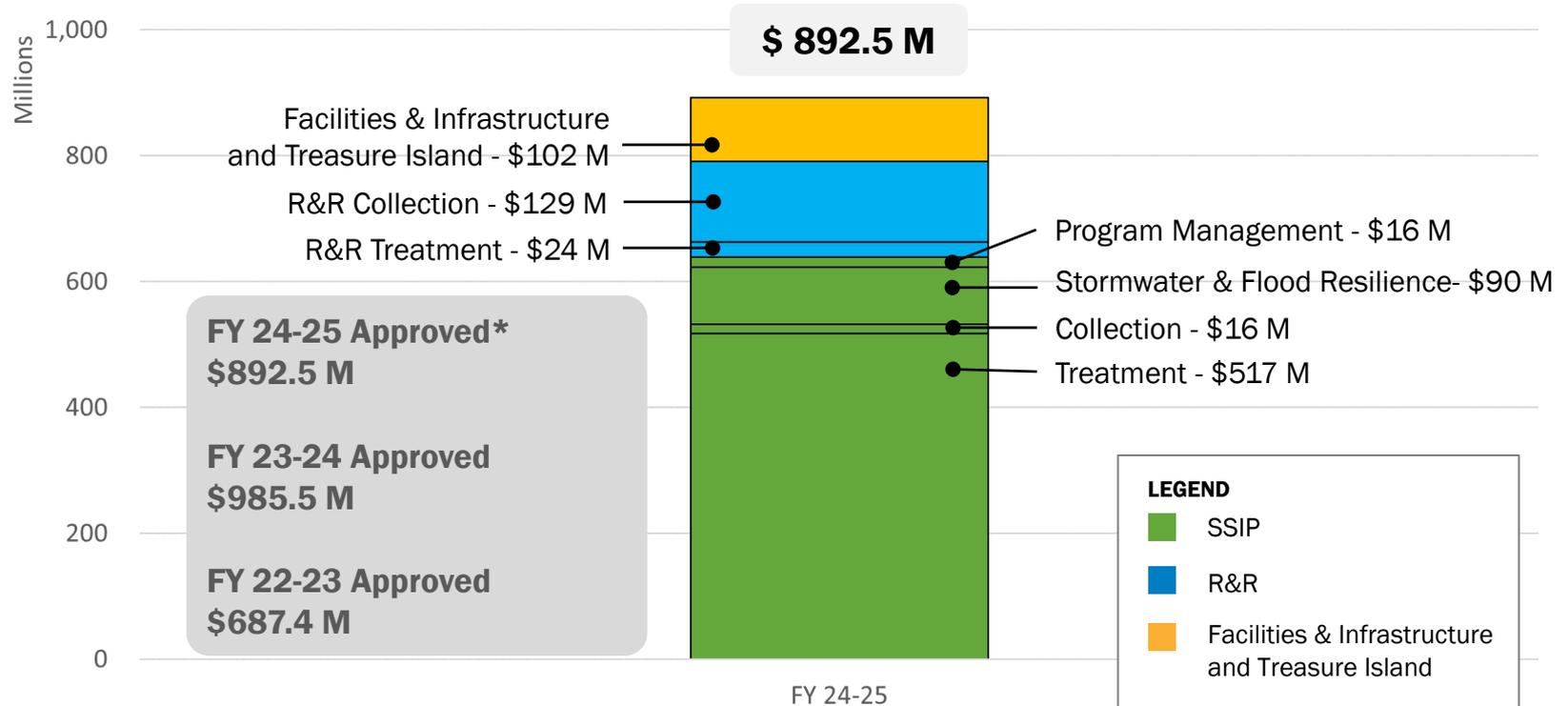
Appropriation: FY 25-34 Capital Plan



Wastewater Proposed Capital Plan Summary

\$million	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31	FY 31-32	FY 32-33	FY 33-34	Total
SSIP	638.4	594.4	689.8	350.8	156.7	158.2	212.4	325.0	464.8	411.7	4,002.2
Renewal & Replacement	152.5	167.1	170.7	174.0	163.0	165.2	171.5	183.7	191.1	198.8	1,737.6
Treasure Island	36.6	4.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	40.9
Wastewater Facilities & Infrastructure	65.0	57.1	48.3	7.5	5.4	15.9	15.1	15.8	14.4	14.4	258.9
Total Uses - Wastewater	892.5	822.9	908.8	532.3	325.1	339.3	399.0	524.5	670.3	624.9	6,039.6

Appropriation: FY 24-25 Capital Budget



*Approved by SFPUC Commission, pending BOS approval

Wastewater Capital Plan (FY25 - 34)

Major New Projects

Southeast Plant Mainstream Nutrient Reduction

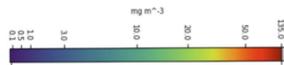
Impact to 10-year Plan: \$ 1,185 M increase

Proposed Project Budget: \$ 1,470 M

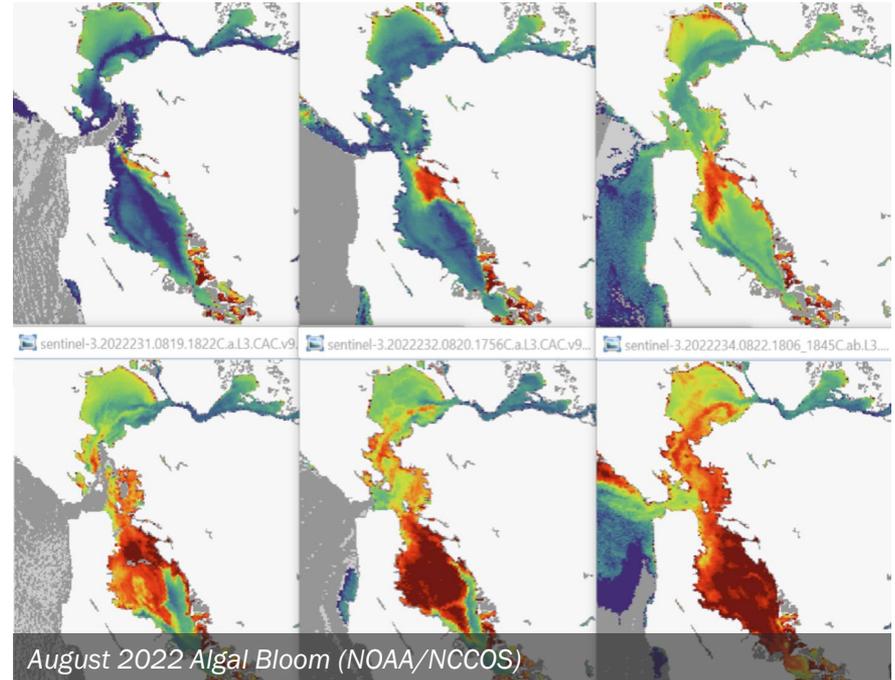
Planning start: FY24/25

Anticipated Construction start: FY30/31

- Reducing nutrient loading into San Francisco Bay is one of the most pressing water quality issues facing our region.
- SF Bay experienced a harmful algal bloom and fish kills in 2022, and a second bloom in 2023.
- A project is needed to meet expected regulatory requirements.



Chlorophyll derived from Sentinel-3,
processed by NOAA/NCCOS



Southeast Bay Outfall & SEP Booster Station Replacement

Impact to 10-year Plan: \$ 80 M increase

Proposed Project Budget: \$ 2,968 M

Planning start: FY24/25

Anticipated Construction start: FY37/38

- Southeast Bay Outfall is a critical asset that conveys final effluent from Southeast Treatment Plant to the Bay.
- A current CIP project is underway (Southeast Outfall Condition Assessment and Rehab) to complete comprehensive condition assessment of the outfall and perform any needed rehab.
- This long-term project is needed to replace the outfall to ensure reliable operations, protect water quality in San Francisco Bay, and align with the City's long-term waterfront adaptation plans for sea level rise.



Islais Creek

Wastewater Capital Plan (FY25 - 34)

Key Projects Underway

Southeast Plant Biosolids Digester Project

Impact to 10-year Plan: \$ 300 M increase

Proposed Project Budget: \$ 2,673 M

- Cost increase is due current market conditions, single-bidder outcomes, and higher material costs.
- Construction of digester tanks, solid pretreatment building, and dewatering building are underway. Construction is ~45% complete.
- All major Trade Bid Packages have been procured and buyout of major facilities completed.



Project Schedule:



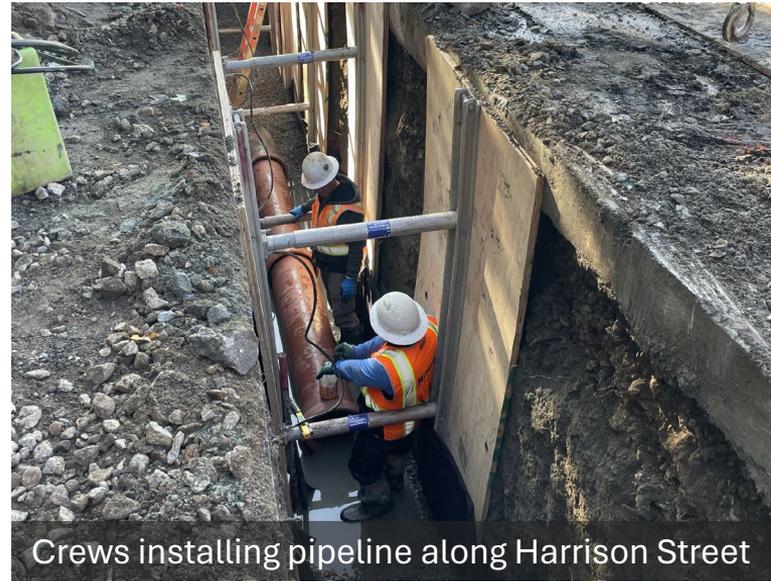
Folsom Area Stormwater Improvements

Impact to 10-year Plan: \$ 110 M increase

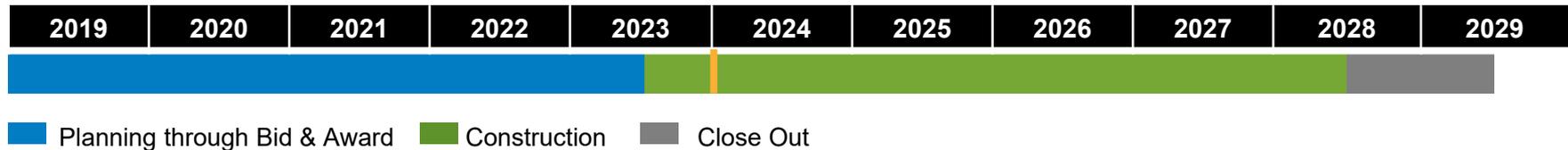
Proposed Project Budget: \$ 430 M

- Cost increase reflects the latest design estimates due to higher costs and additional time needed to address the complexity of the upcoming construction of the tunnel and large sewer boxes in congested city streets.
- Scope of work has been divided into four separate construction contracts. The first contract (upstream sewers) is in construction and the three remaining contracts (tunnel, sewer box, and other sewers) are in design.
- Project helps meet the San Francisco Bay Regional Water Quality Control Board Clean-Up and Abatement Order.

Project Schedule:



Crews installing pipeline along Harrison Street



Lower Alemany Area Stormwater Improvements

Impact to 10-year CIP: no change

Approved Project Budget: \$ 300 M

- Design and Environmental Review are underway.
- Scope includes construction of a sewer tunnel and other sewer improvements to provide stormwater storage and conveyance.
- Project helps meet the San Francisco Bay Regional Water Quality Control Board Clean-Up and Abatement Order.

Project Schedule:



■ Planning through Bid & Award ■ Construction ■ Close Out



Citywide Green Infrastructure Implementation

Impact to 10-year Budget: no change

Proposed Project Budget: \$ 100 M

- This project is a repackaging of green infrastructure projects currently approved in the FY24-33 10-year CIP. This project funds conceptual engineering, design, and construction of “implementation-ready” green infrastructure projects citywide.
- Starting in FY 24/25, the 10-year WWE green infrastructure CIP will be scoped by overall performance through establishment of a total drainage management area goal.
- Together with the Green Infrastructure Planning project, this project aims to deliver 65 acres of drainage management area managed by green infrastructure over the next 10 years.

Project Schedule:



Yosemite Green Infrastructure



■ Planning through Bid & Award ■ Construction ■ Close Out



QUESTIONS?



sfpuc.org/ssip



San Francisco
**Water
Power
Sewer**

Services of the San Francisco
Public Utilities Commission

EXTRA SLIDES FOR INFO ONLY



Services of the San Francisco
Public Utilities Commission

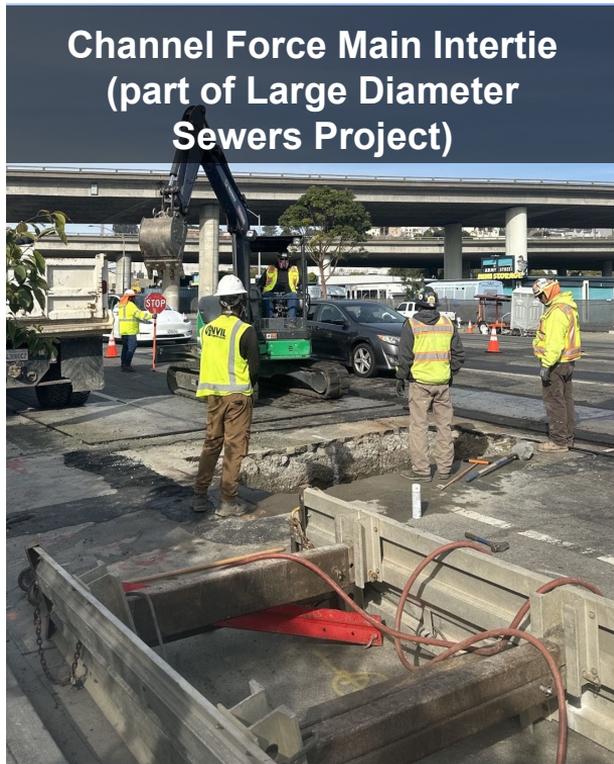
WWE CAPITAL QUARTERLY UPDATE (Q2)

PRESENTED TO THE SFPUC COMMISSION MARCH 26, 2024

Ongoing Construction in the City



Folsom Area Stormwater
Improvements:
1st of 4 Construction Contracts



Channel Force Main Intertie
(part of Large Diameter
Sewers Project)



New Treasure Island
Resource Recovery Project

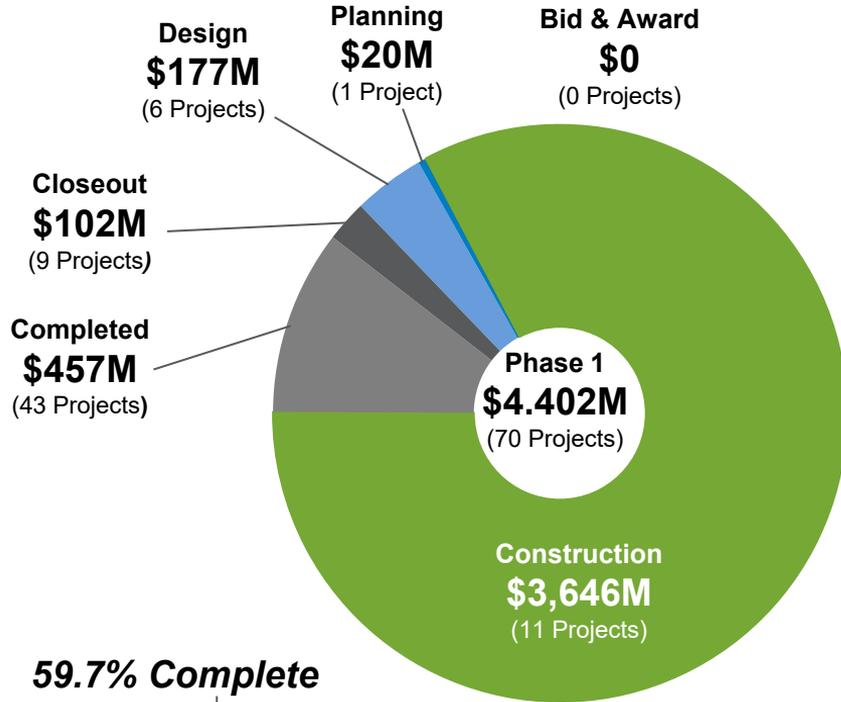
*Anticipated Completion of
1st Contract: **Summer 2024***

*Anticipated Completion:
Summer 2025*

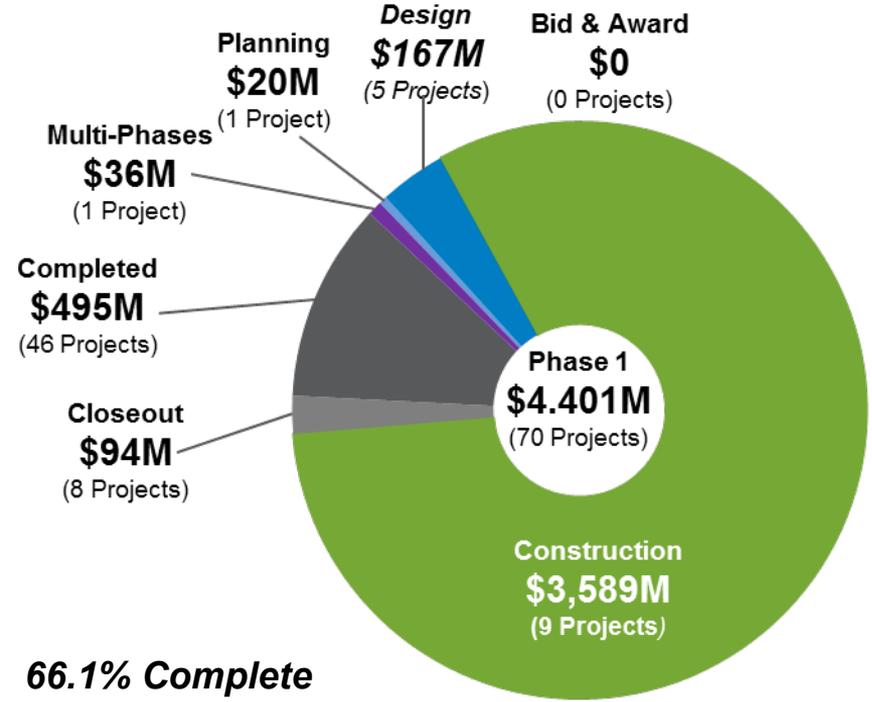
*Anticipated Completion:
Spring 2026*

Sewer System Improvement Program (SSIP) Phase 1 Status

PROJECT COUNT BY PHASE (as of June 2023)



PROJECT COUNT BY PHASE (as of December 2023)



SSIP Status - Cost Summary

Section I.3 SSIP
Table 3

Subprograms <i>(includes other SSIP)</i>	Expenditures to Date (\$ Million) (A)	Current Approved Budget (\$ Million) (B)	Current Forecasted Budget (\$ Million) (C)	Cost Variance (\$ Million) (D = B - C)	Cost Variance Over Reporting Period (\$ Million) (E)
Treatment Facilities	\$2,221.5	\$4,258.6	\$4,726.2	(\$467.6)	(\$467.6)
Collection System	\$291.1	\$603.5	\$574.6	\$29.0	\$29.0
Stormwater Management	\$110.9	\$244.0	\$243.1	\$0.9	\$0.9
Flood Resilience Projects	\$45.2	\$656.4	\$766.0	(\$109.6)	(\$109.6)
Land Reuse Projects	\$85.6	\$85.1	\$85.6	(\$0.5)	\$0.0
Program Management (PM)	\$164.4	\$340.0	\$340.0	\$0.0	(\$0.5)
Overall Program Total	\$2,918.8	\$6,187.6	\$6,735.4	(\$547.8)	(\$547.8)
SSIP Phase 1 Total	\$2,822.6	\$4,401.1	\$4,704.1	(\$303.0)	(\$303.0)
Other SSIP Subtotal (Phase 2 and 3 priorities)	\$96.2	\$1,786.5	\$2,030.3	(\$244.8)	(\$244.8)

Negative numbers reflect cost increases`

Facilities and Infrastructure Status- Cost Summary

Section II.3 F&I Program
Table 3

Subprograms	Expenditures to Date (\$ Million) (A)	Current Approved Budget (\$ Million) (B)	Current Forecasted Budget (\$ Million) (C)	Cost Variance (\$ Million) (D = B - C)	Cost Variance Over Reporting Period (\$ Million) (E)
Facilities and Infrastructure Program	\$189.3	\$630.5	\$632.0	(\$1.5)	(\$1.5)

Negative numbers reflect cost increases

Capital Programs Milestones

Project Initiation

1. Floodwater Management Grant Assistance Program

Conceptual Engineering Report

1. Oceanside Plant: (a) Solids Thickening Process Upgrades; (b) Admin. Building Health & Safety Improvements;
2. North Point Facility: Admin. Building Evaluation & Interim Health & Safety Improvements

Design Milestones

1. 35%: Southeast Plant (SEP) 550 Booster Pump Station Condition Inspection & Interim Improvements
2. 95%: SEP Primary Treatment Health & Safety Improvements
3. 95%: Large Diameter Sewer Projects: Channel Force Main Intertie and Hayes Valley Sewer Improvement
4. 95%: Seacliff No. 2 Pump Station & Force Main Upgrade
5. 95% Geary Underpass Pump Station Safe Access Enhancements
6. 95%: Buchannan Street Mall Green Infrastructure

Completed Construction

1. Operation Decision System Phase 2
2. Oceanside Plant Condition Improvement Projects – Phase 2



Headworks Metal Art Wall
by Artist Norie Santo



Artist Norie Santo and
Mary Chou, Director SF Art Commission

SEP Biosolids Digester Facilities Project

Project Cost: Forecast Budget \$2,673M
(Approved Budget \$2,373M)

Progress and Status:

1. All construction trade packages have been procured and buyout of the major biosolids facilities have been completed
2. Water leakage testing is underway for the digester tanks
3. Mechanical, electrical and plumbing installations are ongoing in pipe galleries, digester basement and solids pretreatment facility.
4. Foundation work and underground utilities for dewatering facility are nearly complete



Southeast Plant New Headworks Facility Project

Project Cost: Forecast Budget \$717M
(Approved Budget \$689M)

Progress and Status:

1. Completed overhead conduits and emergency lighting fixtures in electrical room.
2. Metal Art Wall installation by Artist Norie Sato
3. Hydrotesting of the grit pump discharge piping has begun
4. Construction continues at the influent junction area, fine screen/grit influent splitter, grit tank/grit handling, primary influent distribution, influent pump station and odor control areas
5. Distributed Control System cabinets installation in the security room is underway



Project Schedule:





SFPUC Power Enterprise Capital Improvement Program

*Revenue Bond Oversight Committee
May 14, 2024*

Catherine Spaulding
Deputy Assistant General Manager, Power Enterprise
San Francisco Public Utilities Commission

Purpose:

Update on the Power Enterprise 10-year Capital Budget

Agenda:

- Introduction
- 10-Year Capital Plan Bond-Funded Requests
- Prior Year Bond-Funded Requests

Introduction



One Enterprise, Two Budgets

**** We are San Francisco's clean energy utility ****

Hetch Hetchy
POWER

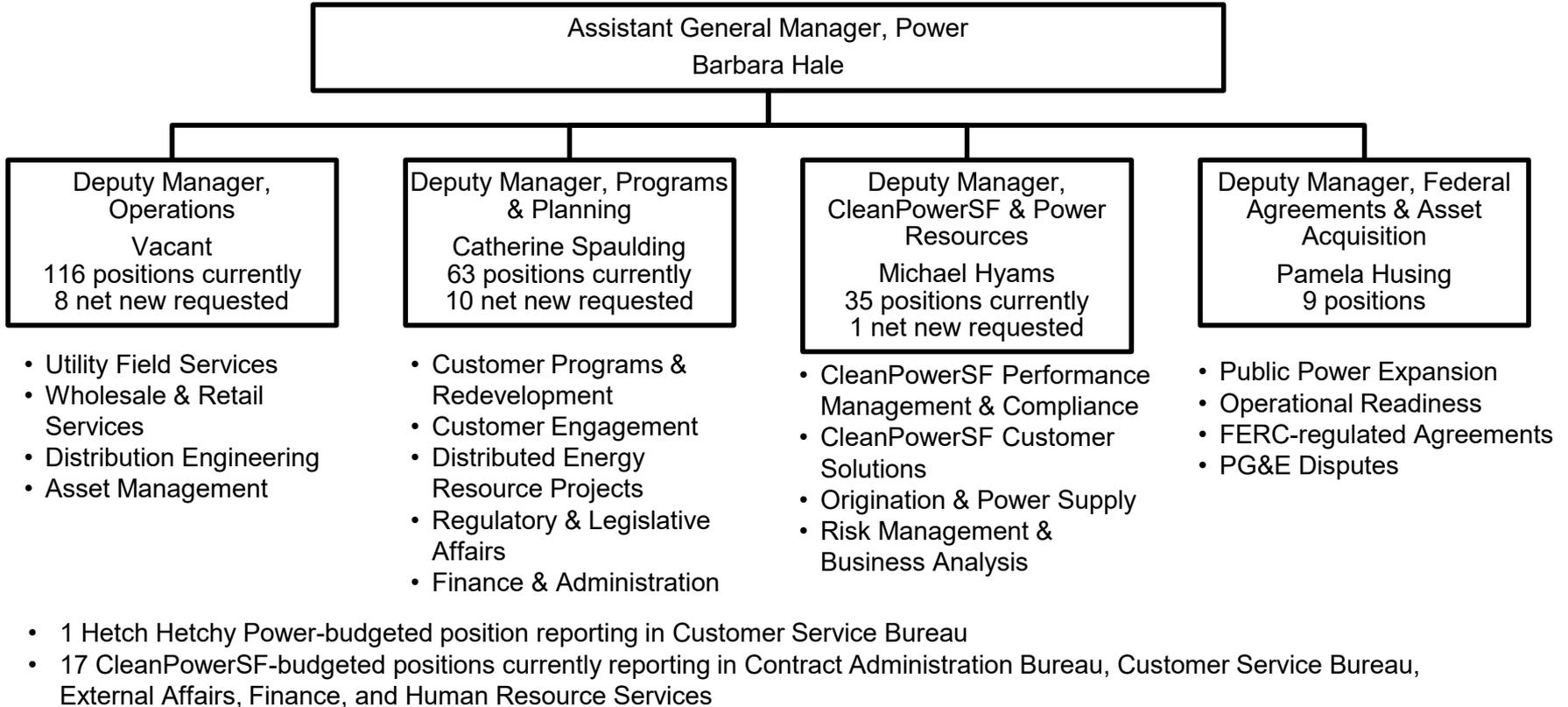
CleanPowerSF

San Francisco's publicly-owned, retail electric utility

San Francisco's Community Choice Aggregation Program

- 1 million MWh annual sales (150 MW)
 - 6,300 retail customer accounts, and growing
 - Ownership in 385 MW hydro generation, 8.6 MW solar, 3 MW biogas
 - Default product 100% GHG-free
 - "Premium" 100% California RPS renewable
 - 160+ miles of transmission and distribution lines
- 3.1 million MWh annual sales (550 MW)
 - 380,000+ customer accounts, relatively stable
 - Diverse portfolio of short, medium, and long-term power purchase and resource adequacy contracts
 - Default "Green" product at least 50% RPS-eligible and nearly 100% GHG free
 - SuperGreen 100% renewable
 - SuperGreen Saver, 100% renewable @ 20% discount for qualified customers
- Together providing over 75% of the electricity consumed in San Francisco
 - Employ union workers, including engineers, financial and utility analysts, line workers, electricians, and technicians.
 - Own, operate and maintain over 25,000 streetlights. Fund all costs associated with operating and maintaining streetlights – including the about 18,000 owned by PG&E in San Francisco.

The Organization





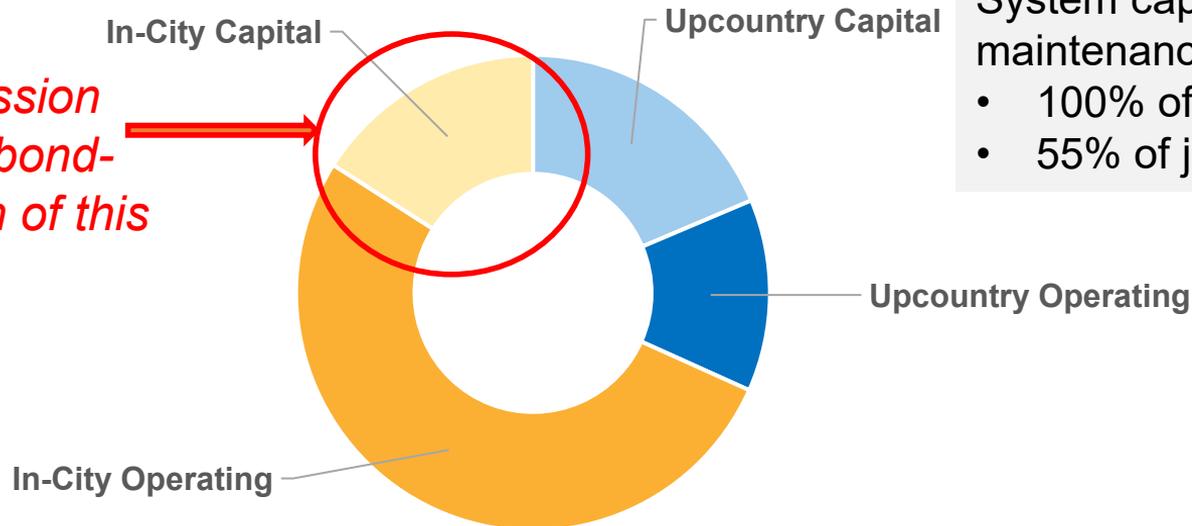
Power Enterprise Bond Fund History

- Power Enterprise is relatively new to extensive bond-funding of in-city capital improvement projects
- Past bond issuances relied on the more limited revenue bond authority under City Charter Section 9.107
- Proposition A passed on June 5, 2018 allowing SFPUC to issue revenue bonds for power facilities under the constraints of City Charter Section 8B.124
- This brought Power Enterprise into alignment with the existing revenue bond authority that had existed for Water and sewer since 2002

Hetch Hetchy Power Revenues

Hetch Hetchy Power revenue supports capital and operating expenses "in-city" and "upcountry"

Today's discussion relates to the bond-funded portion of this

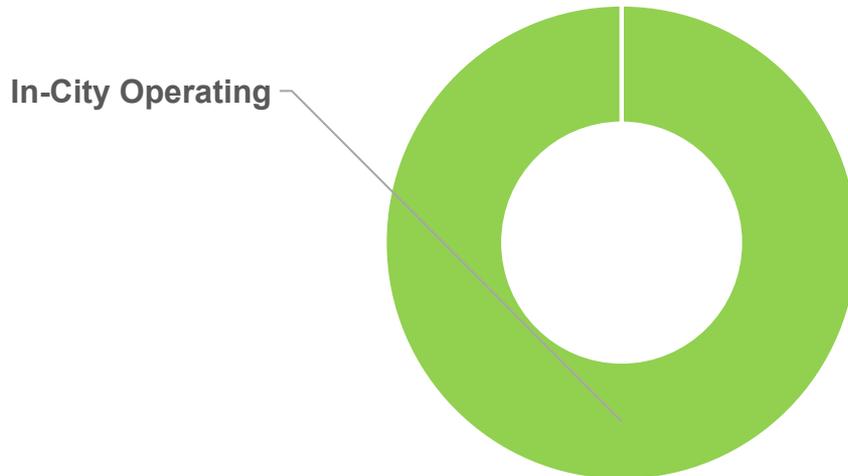


Hetchy Power ratepayers pay for Hetch Hetchy System capital, operations, maintenance:

- 100% of power costs
- 55% of joint costs

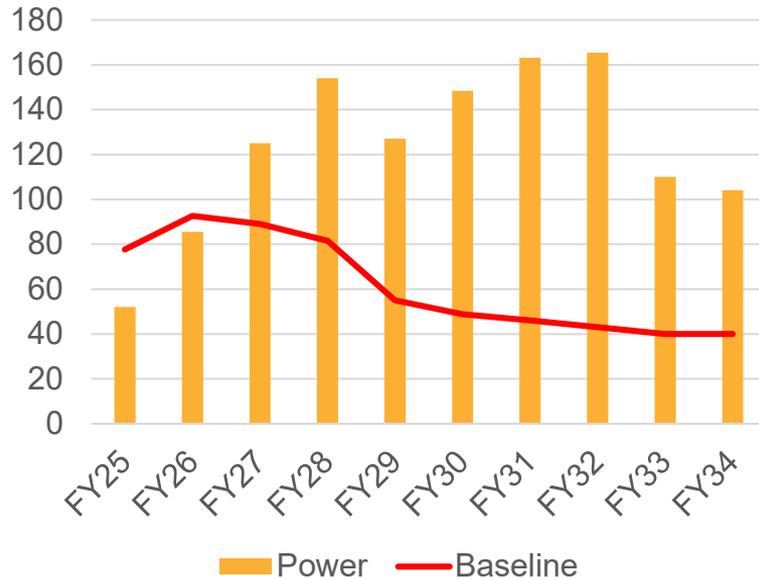
CleanPowerSF Revenues

Nearly all CleanPowerSF revenue supports operations; currently there are no bond-funded CleanPowerSF projects



Hetchy Power's \$1.2B 10-Year Capital Plan

Capital Budget Proposal
(in \$ millions)



- Hetch Hetchy Power's Capital plan has grown by \$639M or 107%
- Most of the growth is in major new investments in retail distribution
- Key growth drivers:

	Total in Plan (\$ millions)	Increase (\$ millions)
Carbon Free Steam	\$216	\$216
Downtown Ferry Elec.	\$96	\$96
SFO Substation	\$241	\$94
Intervening Facilities	\$185	\$80
Grid Connections	\$96	\$76
BCTD Backup Loop	\$60	\$60
Port of Oakland Sub.	\$27	\$27



Capital Prioritization Criteria

Revenue Generating: Does the project increase net new revenue over the life of the asset?

Climate Action/Equity: Does the project address the City's climate action or equity goals?

Requirement to Serve: Is the project necessary to serve municipal customers, developers with a signed development agreement, or other required City customers?

Technical Feasibility/Readiness: Is the project design complete and construction is in progress or imminent, or is the project of a repair and renewal nature and can be implemented on an ongoing basis without extensive design or environmental review?

FY25 to FY34 10-Year Capital Plan Bond-Funded Requests



Retail Distribution – Major Investments

FY25 & FY26 Request: **\$40.9M**

10-Year Request: **\$553.9M**

Includes SFO Substation Improvements, Carbon Free Steam, and Downtown Ferry & South Beach Electrification

Major substation construction/improvement projects where Power partners with the customer for project execution and delivery

Investing Where it Matters:
Meeting new customer demands

Retail Distribution Projects benefit Power retail customers by increasing independence from Pacific Gas & Electric Company's control of the distribution grid, easing customer connections, and more easily implementing grid connected innovations.

Retail Distribution: Carbon Free Steam

Investing Where it Matters:
Meeting new customer demands

- FY25 & FY26 Request: no new funds requested, using prior year balances for planning
- 10-Year Request: **\$216.5M**
- Project partner: Cordia Energy (operator of the downtown steam loop)
- Cordia planning to electrify steam
- A partnership between Cordia and SFPUC is a large and quick carbon reduction opportunity for SF



Retail Distribution: SFO Substation Improvements

Investing Where it Matters:
Meeting new customer demands

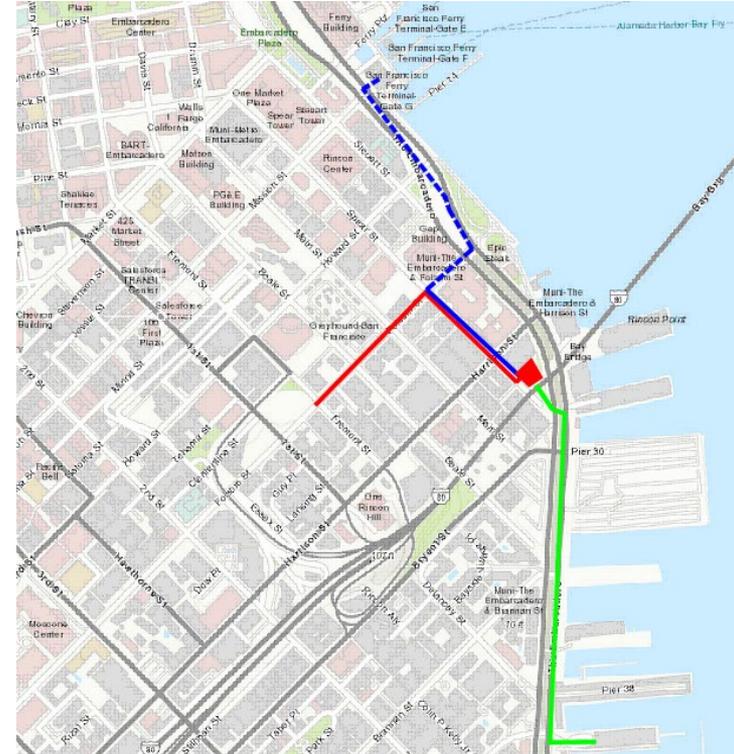
- FY25 & FY26 Request: **\$34.5M**
- 10-Year Request: **\$241.0M**
- Project partner: San Francisco International Airport (SFO)
- Projected capacity needs increased from 110 MW to 255 MW since prior approved capital plan
- Much of the increased demand is related to projected vehicle electrification



Retail Distribution: Downtown Ferry & South Beach Electrification

Investing Where it Matters:
Meeting new customer demands

- FY25 & FY26 Request: **\$6.4M**
- 10-Year Request: **\$96.4M**
- Project Partner(s): Water Emergency Transportation Authority (WETA) and Port of San Francisco (Port)
- Needed to serve WETA ferry electrification mandates
- Builds transmission infrastructure now to serve future Port loads



Retail Distribution - Other

- FY25 & FY26 Request: **\$25.1M**
- 10-Year Request: **\$280.6M**
- Includes Intervening Facilities to connect customers to the Pacific Gas & Electric Company distribution grid and Grid Connections to connect customers to the SFPUC distribution grid

Investing Where it Matters:
Meeting new customer demands



Redevelopment

- FY25 & FY26 Request: **\$39.0M**
- 10-Year Request: **\$170.4M**
- Includes Treasure and Yerba Buena Islands, related Port of Oakland Substation enhancements; Alice Griffith; India Basin; Visitacion Valley; Pier 70; Mission Rock; and HopeSF (Potrero and Sunnydale)

Investing Where it Matters:
Meeting new customer demands



Redevelopment Projects provide underground electric distribution systems enabling the SFPUC to provide electric services to various new citywide developments within San Francisco.

Continuity of Operations

- FY25 & FY26 Request: **\$0.5M**
- 10-Year Request: **\$21.0M**
- Construction of a new building required to replace temporary office and warehouse lease

Responsible management of
our system, maintenance



Utility Field Services responds to outages; maintains and improves City-owned streetlights; and installs, repairs, and maintains electric assets.

Prior Year Bond-Funded Projects

Prior Year Bond-Funded Requests

The following projects have received bond funding in prior years and are either nearing completion or are expected to be funded by revenue in the upcoming two-year capital budget

1) Meeting new customer demands

- *Bay Corridor*

2) Responsible management of our system, maintenance

- *Streetlight Repair and Replacement*

3) Financial sustainability

- *Public Power Expansion*

Bay Corridor Transmission Distribution

- Prior year bond appropriations: **\$103M**
- The Bay Corridor Transmission Distribution program comprises taking transmission level voltage from Pacific Gas and Electric Company and transforming that to distribution level voltage at a SFPUC substation

Investing Where it Matters:
Meeting new customer demands



Bay Corridor Transmission Distribution provides independence from Pacific Gas & Electric company's control of the distribution grid, allowing for reduced operating costs and greater ease of customer connections

Streetlight Repair and Enhancement

Responsible management of
our system, maintenance

- Prior year bond appropriations: **\$10M**
- Includes streetlight replacement and repairs, pole assessments and rehabilitation, and Distributed Antenna Services Program



Streetlights projects maintain street lighting and correct inadequate lighting, making streets safer and pedestrian-friendly.

Public Power Expansion

- Prior year bond appropriations: **\$9M**
- Assessment of acquiring Pacific Gas & Electric Company's electrical assets in San Francisco and readying for operation of the acquired system

Responsible Management:
Financial Sustainability



Public Power Expansion will enable the City to achieve independence from Pacific Gas & Electric Company, establish local accountability for electric ratepayers in San Francisco, and facilitate investment in infrastructure to further decarbonization and grid resiliency efforts.



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

**Public Utilities Commission Building
525 Golden Gate Ave., 3rd Floor
Tuolumne Conference Room
San Francisco, CA 94102**

**Tuesday, April 9, 2024 - 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

Seat 1	<i>Vacant</i>
Seat 2	Lars Kamp
Seat 3	Jason Leung
Seat 4	Claire Veuthey, Vice Chair
Seat 5	<i>Vacant</i>
Seat 6	Abby Veaser
Seat 7	Reuben Holober, Chair

Chair Holober called the meeting to order at 9:04 a.m. On the call of the roll, Chair Holober, Vice Chair Veuthey, and Members Leung and Veaser were noted present. Member Kamp was noted not present. A quorum was present.

There were no agenda changes.

2. Public Comment

Speakers: None.

3. RBOC: Audit Update

Hunter Wang (City Services Auditor, Office of the Controller) and Paul Pocalyko (HKA Associates), provided an update on the status of the ongoing Phase III audit. The audit is advancing to selection of samples for review and risk assessment, and may advance toward fieldwork testing soon, with a target for preliminary draft release of August 2024. Katherine Ortega (Office of the City Attorney) answered questions raised throughout the discussion.

Public Comment: None.

There was no action taken.

4. SFPUC: Water Capital Programs Update

Public Comment: Kate Miller (San Francisco Public Utilities Commission) provided a [presentation](#) updating ROBC on the Water Capital Programs. Nikolai Sklaroff (San Francisco Public Utilities Commission) answered questions raised throughout the discussion.

Public Comment: None.

There was no action taken.

5. ROBC: Future Site Visits

Chair Holober requested that three members of RBOC indicate their commitment to attend a site visit to Southeastern Treatment Plant on May 10, 2024. The site visit will not be conducted as a public meeting due to the fact that a quorum of RBOC will not be present. Katherine Ortega (Office of the City Attorney) and Nikolai Sklaroff (San Francisco Public Utilities Commission) answered questions raised throughout the discussion.

Public Comment: None.

There was no action taken.

6. Minutes Approval – March 12, 2024 RBOC Meeting

John Carroll, Clerk, indicated he would make clerical corrections to the March 12, 2024 Minutes.

Public Comment: None.

Vice Chair Veuthey, seconded by Member Veesser, moved to approve the March 12, 2024, meeting minutes with clerical changes. The motion PASSED by the following vote:

Ayes: 4 - Leung, Veuthey, Veesser, Holober
Absent: 1 - Kamp

Action: Minutes APPROVED

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

Public Comment: None.

RBOC has scheduled the following meeting dates in 2024:

- *May 14, 2024;*
- *June 11, 2024;*
- *July 9, 2024;*
- *August 13, 2024;*
- *September 10, 2024;*
- *October 8, 2024;*
- *November 12, 2024;*
- *and December 10, 2024*

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

- A. *SFPUC: State Federal Loan Updates;*
- B. *SFPUC: Staff Report: Environmental Justice;*
- C. *RBOC: Acquiring consultant to examine expected performance of completed projects;*
- D. *RBOC: Discussion of 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;*
- E. *SFPUC: Discussion of Finding 2 of the SFPUC Performance Audit of Selected Revenue Bond Expenditures dated December 23, 2021*
- F. *SFPUC: Wastewater Enterprise Update; (May be scheduled on May 14, 2024)*
- G. *SFPUC: Power Enterprise Update; (May be scheduled on May 14, 2024)*

8. Adjournment

There being no further business, the meeting adjourned at 10:32 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: Draft
Public Utilities Revenue Bond Oversight Committee