



# 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

August 1, 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

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

*Chair Leale called the meeting to order at 9:16 a.m. On the call of the roll, Chair Leale and Members Veuthey, Tang, and Holober were noted present. Vice Chair Kamp was noted not present. A quorum was present.*

*There were no agenda changes.*

### 2. Public Comment

*Speakers: None.*

### 3. RBOC: Audits Update

*Hunter Wang (City Services Auditor, Office of the Controller); Eugene Yano (Yano Accountancy Corporation); shared updates on the second round of responses from the SFPUC on the ongoing Series II audit, and shared that the Series III audit will be on hold until there is more progress on Series II. The Series II audit has encountered delays resulting from a change in the field of bidding auditors. The City Services Auditor is targeting a report release date in time for the September RBOC meeting, but may have to delay until October. Member Tang shared updates on the preparation for future audits and the preparation of a new Request for Proposals through the office of the City Services Auditor.*

*Hunter Wang (City Services Auditor, Office of the Controller); further shared that the Fiscal Year 2022-2023 invoice for City Services Auditor services is ready for approval by RBOC, and requested that the invoice be considered at the next RBOC meeting.*

*Public Comment: None.*

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

**Ayes: 4 - Leale, Veuthey, Tang, Holober**  
**Absent: 1 - Kamp**

Action: CONTINUED to September 5, 2023

### 4. RBOC: RBOC Sunset Date - January 1, 2025

*Members of RBOC discussed the ongoing audit work and projections for receipt of future audit reports, anticipating results of ongoing RBOC work to exceed the current January 1, 2025 sunset date. Mark Blake (Office of the City Attorney); shared a suggestion that the SFPUC provide a presentation to RBOC on the capital planning and bonding activities for the next 10 years. Eric Kwak and Edward Kwong (SFPUC); answered questions raised throughout the discussion related to future and ongoing audit work.*

*Public Comment: David Pilpel shared concerns related to the RBOC sunset date; suggested that the funding rate set-aside be re-examined to better coordinate with RBOC activities; suggested that RBOC examine the oversight activities of other bodies such as the SFMTA Bond Oversight Committee, the Citizen's General Bond Obligation Committee, the SFUSD Bond Oversight Committee, and the Community College District Bond Oversight Committee; and suggested that RBOC consider meeting less frequently.*

*There was no action taken.*

**4. Minutes Approval - June 6, 2023, Regular Meeting**

*John Carroll, Clerk, offered that he would make clerical corrections to the meeting minutes.*

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

**Member Veuthey, seconded by Member Tang, moved to approve the June 6, 2023, meeting minutes with clerical changes. The motion PASSED by the following vote:**

**Ayes: 4 - Leale, Veuthey, Tang, Holober**  
**Absent: 1 - Kamp**

Action: Minutes APPROVED

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

*Member Tang shared a desire to agendaize a discussion item related to the Sewer System Improvement Program.*

*Public Comment: David Pilpel shared comments regarding formatting for the future agenda items tracker on the agenda.*

*RBOC may meet on the following dates:*

- *September 5, 2023;*
- *October 10, 2023;*
- *November 14, 2023; and*
- *December 12, 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;*

*Continues on next page.*

- G. 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
- 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)

## 6. Adjournment

*There being no further business, the meeting adjourned at 10:03 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: September 5, 2023**  
**Public Utilities Revenue Bond Oversight Committee**