



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

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

October 10, 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

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 9:04 a.m. On the call of the roll, Chair Leale, Vice Chair Kamp, and Members Veuthey, Tang, and Holober were noted present. A quorum was present.

There were no agenda changes.

2. Public Comment

Speakers: David Pilpel shared various general comments.

3. RBOC: Audit Update

Hunter Wang (City Services Auditor, Office of the Controller) shared that preparatory work on the Phase III audit continues; Irella Blackwood (SFPUC) answered questions raised throughout the discussion and shared that the CSA doesn't expect a timeline disruption for the audit.

Public Comment: none.

There was no action taken.

4. RBOC: Planning for Future Audits

Member Tang reported that the Draft Request for Proposals (RFP) for Evaluation of San Francisco Public Utilities Commission Infrastructure Projects Funded by Revenue Bonds—as approved by RBOC during the September 5, 2023 meeting—is undergoing legal review which may delay it for several weeks. Once the legal review is complete, the RFP should return to RBOC for final review and approval. Following approval, the RFP will go out for advertising to potential auditors. Hopefully, this will occur before the end of the year.

Public Comment: None.

There was no action taken.

5. SFPUC: Current Capital Finance Plan

Nikolai Sklaroff (SFPUC); provided a [presentation](#) on the current SFPUC Capital Finance Plan and answered questions raised throughout the discussion.

Public Comment: None.

There was no action taken.

6. RBOC: Current Sunset Date – January 1, 2025

Chair Leale suggested that RBOC propose extending the sunset date. Member Tang proposed a 4-year extension to January 1, 2029. Member Holober asked if there is reason to expect that RBOC will be conducting other audits in 2029 and later.

Public Comment: None.

Member Holober, seconded by Vice Chair Kamp, moved to authorize the Chair and the Clerk to recommend to the Board of Supervisors that the RBOC Sunset date be extended to January 1, 2029. The motion PASSED by the following vote:

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

Action: Chair and Clerk AUTHORIZED to pursue an extension of RBOC to January 1, 2029.

7. SFPUC: Update on the Sewer System Improvement Program (SSIP)

Bessie Tam (SFPUC) provided a [presentation](#) on the SSIP and answered questions raised throughout the discussion. Nikolai Sklaroff (SFPUC) answered questions raised throughout the discussion. Members of RBOC expressed a desire for a site visit to the southeast area major project sites including the Biosolids Digester and Headworks Facility projects.

Public Comment: None.

There was no action taken.

8. Minutes Approval – September 5, 2023 Regular Meeting

Clerk Carroll shared that the September 5, 2023 minutes are linked in the agenda and posted online, but that the incorrect minutes were included in the paper version of the agenda packet.

Public Comment: David Pilpel suggested that RBOC continue the minutes consideration to a later meeting.

Member Holober, seconded by Chair Leale, moved to approve the September 5, 2023, meeting minutes. The motion PASSED by the following vote:

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

Action: Minutes APPROVED

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

Vice Chair Kamp shared that he will have limited availability to attend RBOC meetings during the first quarter of 2024.

Public Comment: None.

RBOC may meet on the following dates:

- *November 14, 2023; and*
- *December 12, 2023.*

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

- SFPUC: Water System Improvement Program Update;*
- SFPUC: Power Enterprise and Clean Power SF Update;*
- SFPUC: State Federal Loan Updates;*
- SFPUC: Staff Report: Environmental Justice;*
- RBOC: Acquiring consultant to examine expected performance of completed projects;*
- 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*
- 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)*
- SFPUC: Planning for Future Site Visit to the SSIP project sites including the Biosolids Digester and Headworks Facility projects.*

10. Adjournment

There being no further business, the meeting adjourned at 10:55 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: November 14, 2023
Public Utilities Revenue Bond Oversight Committee