

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

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

July 24, 2017 - 9:00 AM

Regular Meeting

Mission: The purpose of the Revenue Bond Oversight Committee (RBOC) is to monitor 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's goal is to ensure that specific SFPUC revenue bond proceeds are spent appropriately and according to authorization and applicable laws. The RBOC provides oversight to ensure transparency and accountability in connection with expenditure of the proceeds. The public is welcome to attend RBOC meetings and provide input.

1. Call to Order and Roll Call

Seat 1 Holly Kaufman, Co-Chair (*Holdover status*)
Seat 2 Kevin Cheng (*Holdover status*)
Seat 3 Robert Leshner, Co-Chair
Seat 4 Tim Cronin
Seat 5 Travis George, Vice Chair
Seat 6 Christina Tang
Seat 7 Jennifer Millman

Co-Chair Leshner called the meeting to order at 9:03 a.m. On the call of the roll, Co-Chair Leshner, Vice Chair George, and Members Cheng, Millman, and Tang were noted present. Co-Chair Kaufman and Member Cronin were noted not present.

2. Agenda Changes

There were no agenda changes.

3. 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. Speakers: There were none.

4. San Francisco Public Utilities Commission (SFPUC) Staff Report: Water System Improvement Program (WSIP) Updates

Dan Wade, Director of Water Capital Projects and Programs (SFPUC); provided an update of the WSIP, including project status; recent accomplishments; storage projects; treatment projects; transmission projects; a revised summary of schedule extensions on the New Irvington Tunnel, Seismic Upgrade of BDPL Nos. 3 & 4, and a security system upgrade; Calaveras Dam Replacement Project update, including the start of Embankment Dam, storms impact on construction, Calaveras Reservoir outlet releases; fish passage facilities at Alameda Creek Diversion Dam; regional groundwater storage and recovery; bioregional habitat restoration; overview of active construction contracts; and an overview of change orders and trends.

Public Comment. Speakers: There were none.

5. **San Francisco Public Utilities Commission (SFPUC) Staff Report:** Mountain Tunnel Update

Steven Ritchie, Assistant General Manager of Water Enterprise (SFPUC); provided an update of the Mountain Tunnel project, including the following: overview of regional water system; wholesale customers; Mountain Tunnel background; Mountain Tunnel update summary and overview; Priest Portal opening; tunnel inspection work completed; tunnel adits and access improvements; interim repairs; calendar for improvements, inspection support and interim repairs; and decision on long-term improvements.

Dan Wade, WSIP Director; and Richard Morales, Debt Manager (SFPUC); provided information and responded to questions raised throughout the discussion.

Public Comment. Speakers: None.

6. **City Services Auditor Staff Report:** Consultant Pool Presentation

Nicole Kelly, Tonia Lediju, and Melissa Ng (Controller's Office); provided information and answered questions raised throughout the discussion. Mark Blake, Deputy City Attorney; joined in the discussion and provided information relating to the hearing matter.

Public Comment. Speakers: There were none.

7. **Committee Discussion:** Draft Certification for Bond Compliance

Richard Morales and Mike Brown (SFPUC); provided information and answered questions raised throughout the discussion. Mark Blake, Deputy City Attorney; joined in the discussion and provided information relating to the hearing matter.

Public Comment. Speakers: There were none.

8. **Committee Discussion:** RBOC Site Visit

Mike Brown (SFPUC); provided information and answered questions raised throughout the discussion.

Public Comment. Speakers: There were none.

The Committee confirmed the site visit of the Calaveras Dam for the August 7, 2017, meeting. Further, the Committee requested confirmed the tentative site visit of the Southeast Wastewater Treatment Plant for the November 6, 2017, meeting.

9. **Approval of Minutes:** June 12, 2017, Meeting Minutes

Public Comment. Speakers: There were none.

Co-Chair Leshner, seconded by Member Tang, moved to APPROVE the June 12, 2017, Meeting Minutes. The motion carried by the following vote:

Ayes: 5 – Cheng, George, Leshner, Millman, and Tang

Absent: 2 – Cronin, Kaufman

10. **Announcements, Comments, Questions, and Tentative Future Agenda Items**

Public Comment. Speakers: There were none.

August 7, 2017

1. Site visit – Calaveras Dam

September 18, 2017

1. SSIP Update
2. Follow up to May discussion on avoiding major costs overruns and consultant pool info
3. Review RBOC account/budget
4. Green infrastructure – delivery methods
5. Draft Certification for Bond Compliance

October 16, 2017

1. WSIP “risk closeout” – Calaveras “deep dive” (final risks vs. Director’s reserve)
2. Seminar on capital planning
3. RBOC Succession Planning
4. Bond spending – debt certification by bond series and finalizing draft certification to be included in annual report
5. Annual Report – First Draft

November 6, 2017

1. Tentative site visit – Southeast Wastewater Treatment Plant
2. SSIP update
3. Committee Discussion: Bond capacity for PUC financing structure for capital programs (“What goes into the Water and Sewer bill?”)

December 11, 2017

1. Clean Power/Power Enterprise presentation
2. Finalize Annual Report

11. **Adjournment**

There being no further business, the meeting adjourned at 10:34 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.

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 – (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

For information concerning San Francisco Public Utilities Commission please contact by e-mail RBOC@sfgov.org or by calling (415) 554-5184.

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 Peggy Nevin at (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 Derek Evans (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.

Disability Access

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.

翻譯 必須在會議前最少四十八小時提出要求
請電 (415) 554-7719

Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions 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 more 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) 554-7854; or by email at sotf@sfgov.org.

Citizens may obtain a free copy of the Sunshine Ordinance by printing San Francisco Administrative Code, Chapter 67, at <http://www.sfbos.org/sunshine>.

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.



WSIP Update

Revenue Bond Oversight Committee

July 25, 2017
Daniel L. Wade, Director
Water Capital Projects and Programs
Infrastructure Division



San Francisco
Water Power Sewer

Services of the San Francisco Public Utilities Commission



Water System Improvement Program (WSIP) Status

- Regional: 94.1%
- Local: 99.9%
- Overall WSIP: 94.6%





WSIP Recent Accomplishments

Alameda Creek Re-Capture Project

- EIR was finalized, certified, and approved during the quarter
- Project advertised for bid on June 29, 2017

Seismic Upgrades of BDPL 3 & 4 at Hayward Fault

- All change orders settled within project budget

New Irvington Tunnel

- Disputes with contractor settled at \$7M

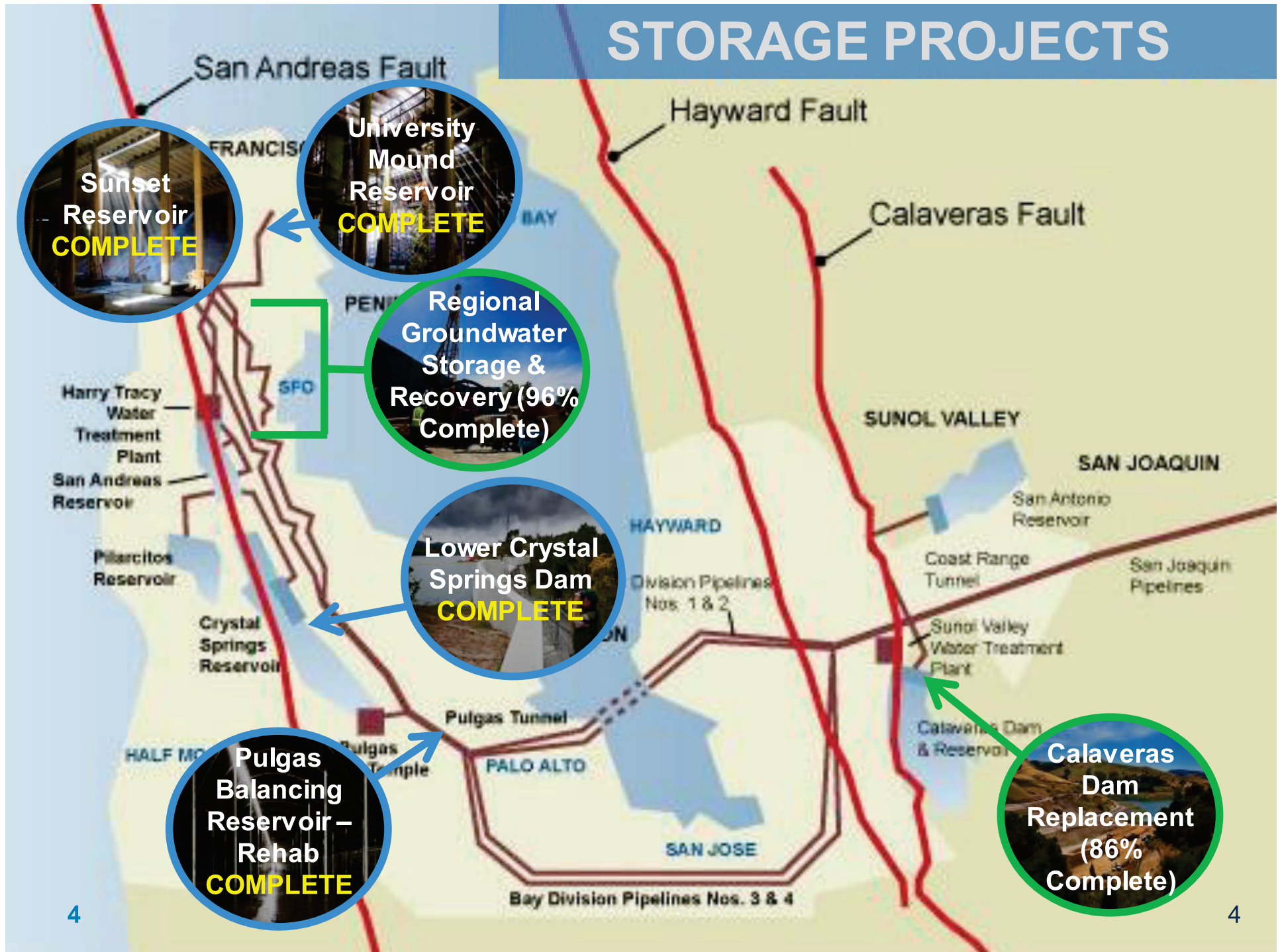
Regional Groundwater Storage and Recovery

- Operational testing of the 13 initial well sites has begun

Calaveras Dam Replacement Project

- Dam embankment is now at El 609 feet (65 feet high)
- Installation of the Stream Maintenance Facility, Weir Building, and Valve Vault are all progressing

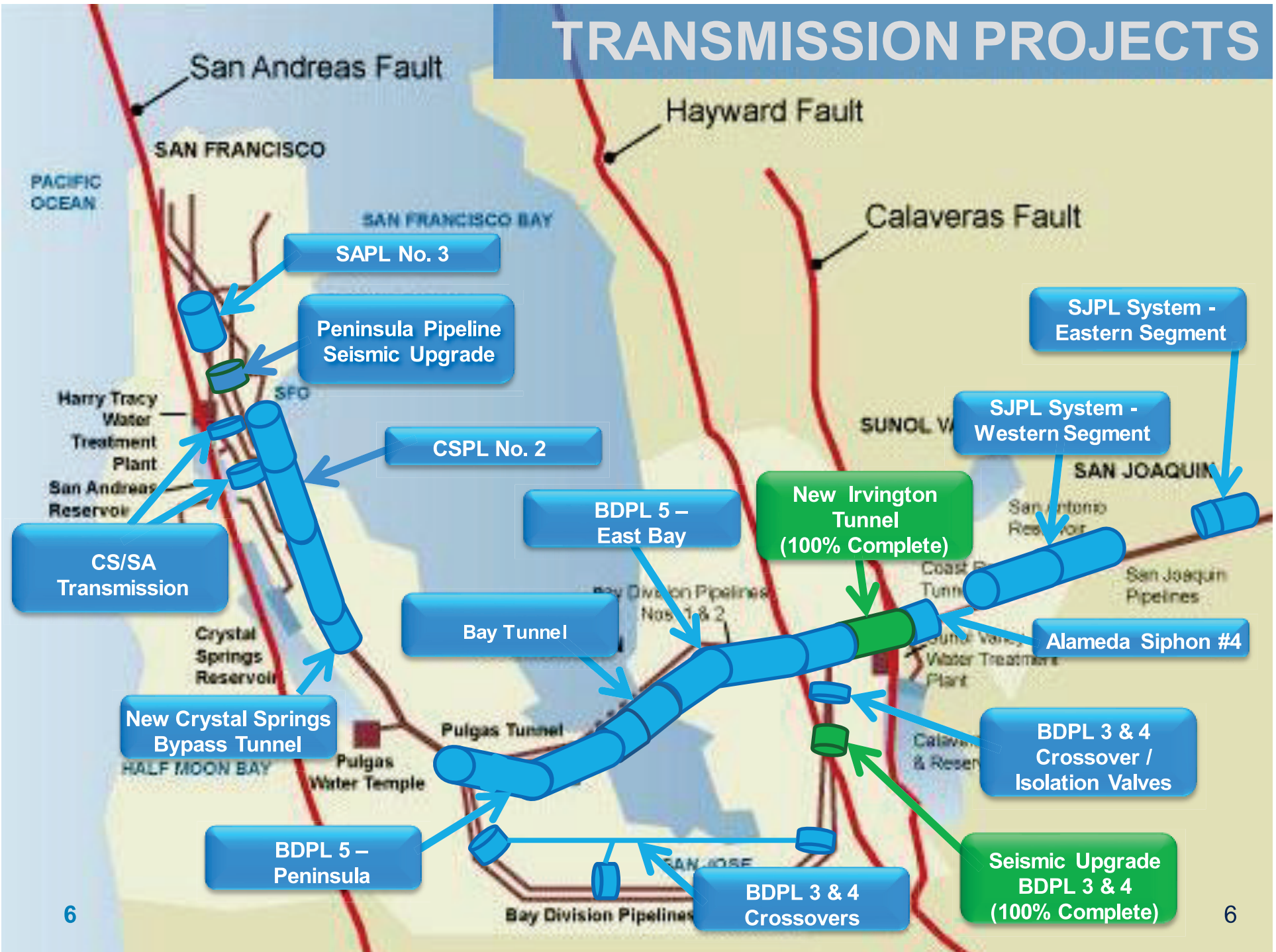
STORAGE PROJECTS



TREATMENT PROJECTS



TRANSMISSION PROJECTS



Calaveras Dam Replacement Project (CDRP)





CDRP: recent aerial view





CDRP: Embankment at 609 Feet





Relocation of Rough-winged Swallow Chicks at Fish Passage Project





Alameda Creek Recapture Project EIR finalized, certified, and approved.





Regional Groundwater Storage and Recovery: Completed Linear Park well station, now undergoing testing





New Irvington Tunnel: Site restoration completed at Irvington Portal staging area





Security System Upgrades: Security Enclosure Installation at Redwood City Valve Lot





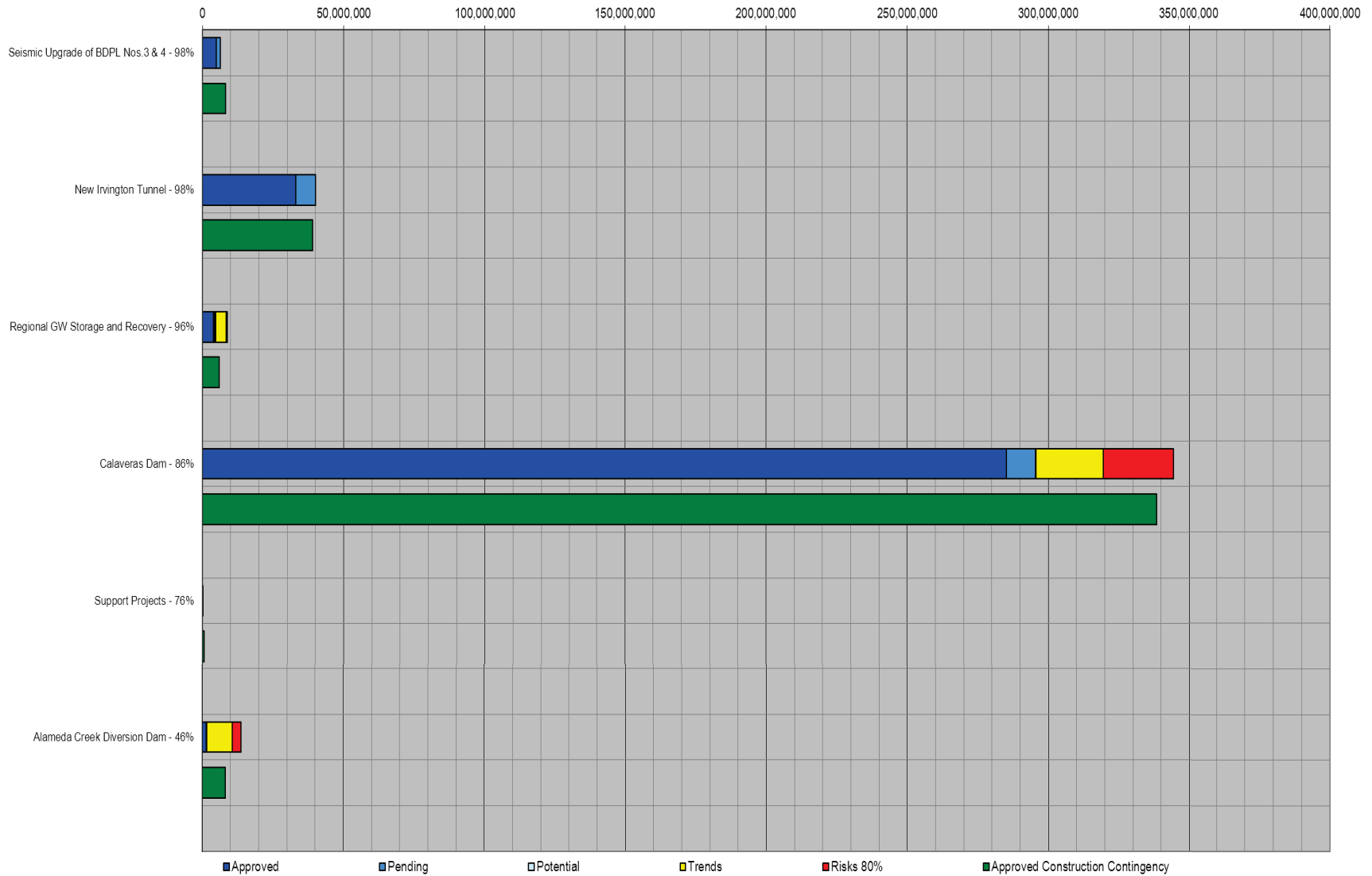
Bio-Habitat Restoration: LCSD Vegetation Clearing



WSIP Active Construction Contracts

Approved, Pending, Potential COs, Trends, & Risks vs. Contingency
Status as of June 2017

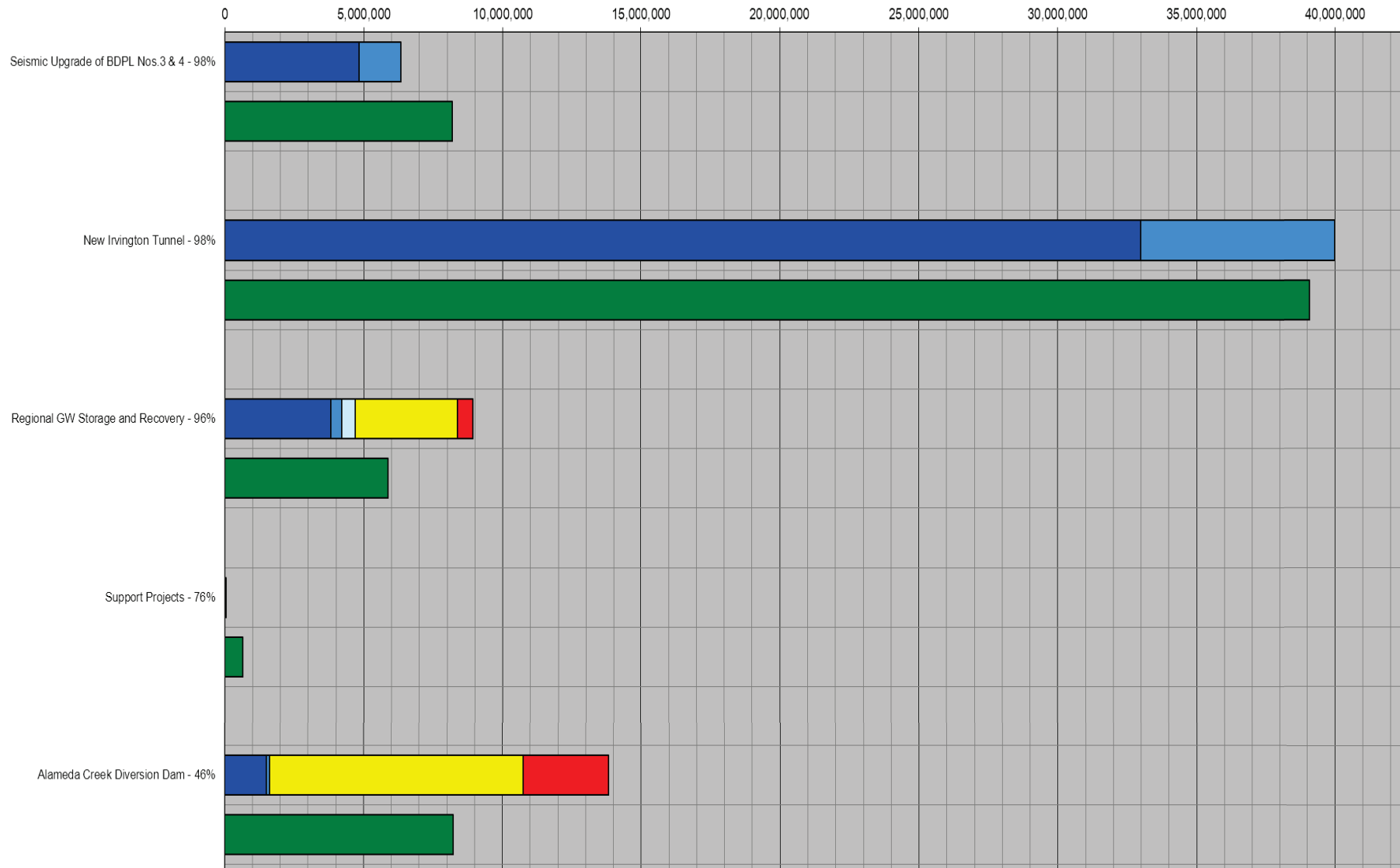
Note: Projects are ordered by Percent Complete



WSIP Active Construction Contracts

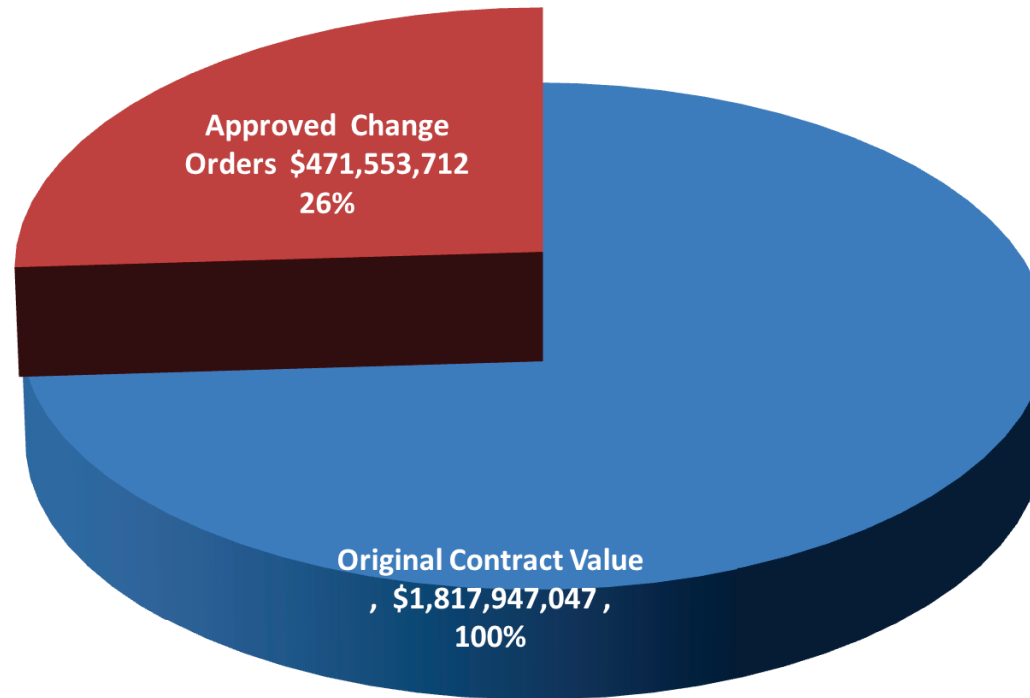
Approved, Pending, Potential COs, Trends, & Risks vs. Contingency
Status as of June 2017

Note: Projects are ordered by Perc



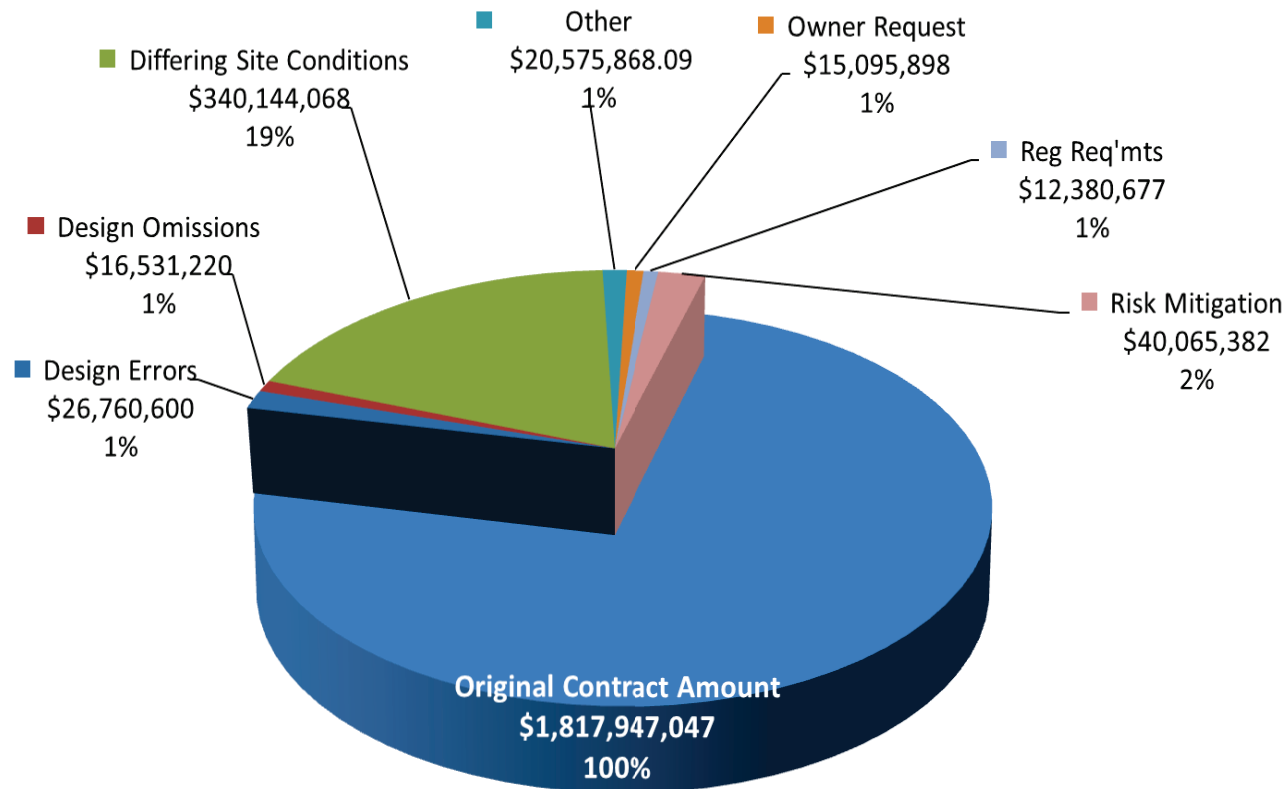
Note: CDRP data not shown

WSIP Active & Completed including BHR
Regional Construction Contracts
Percentage of Approved Changes vs. Awarded Amount
June 2017



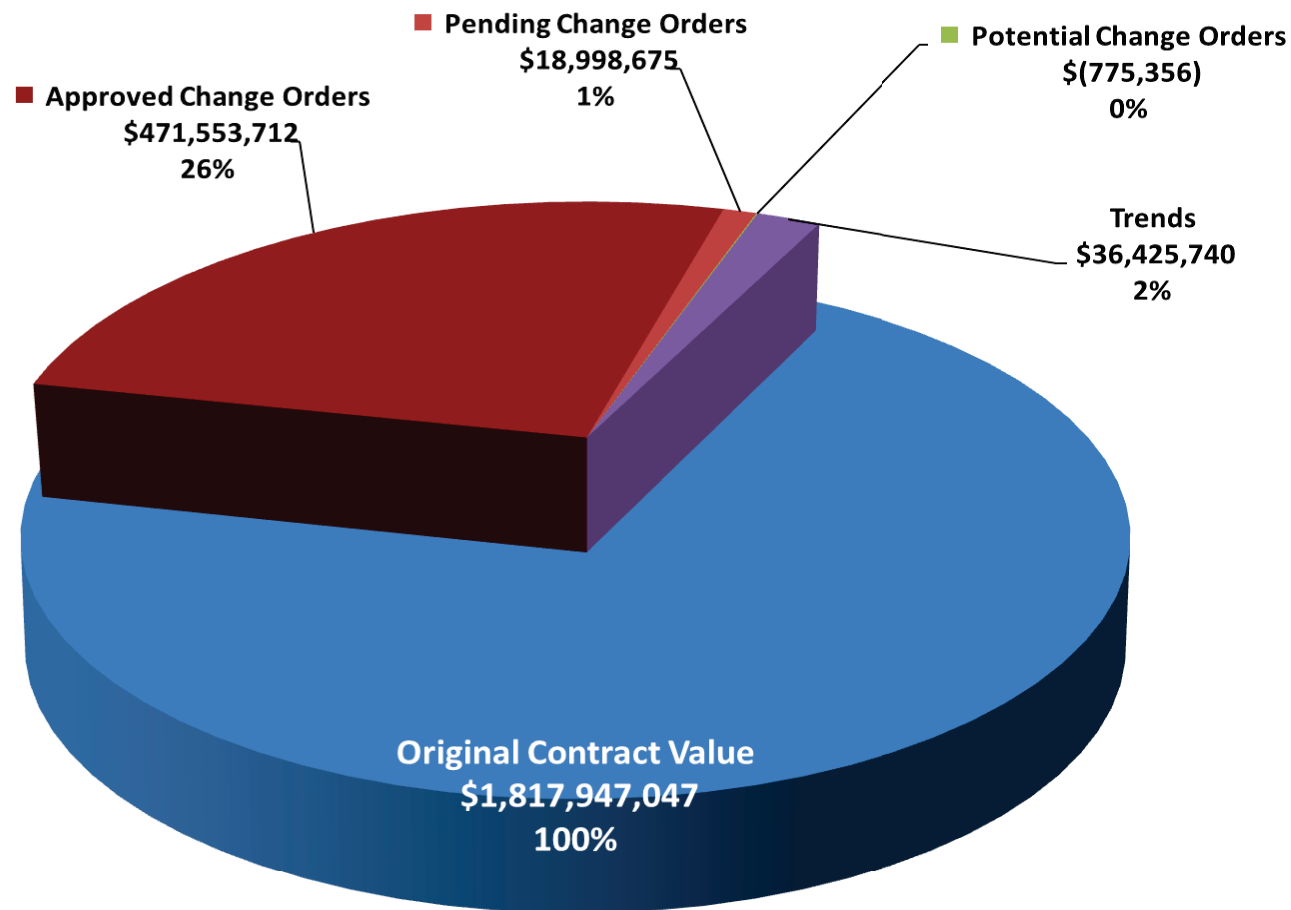
WSIP Active & Completed including BHR
Regional Construction Contracts
Change Reason vs. Awarded Amount
June 2017

Approved Change Orders = \$471.6M 26%



WSIP Active & Completed including BHR
Regional Construction Contracts
Percentage of Projected Changes vs. Awarded Amount
June 2017

Forecasted Changes Amount = \$526M 29%

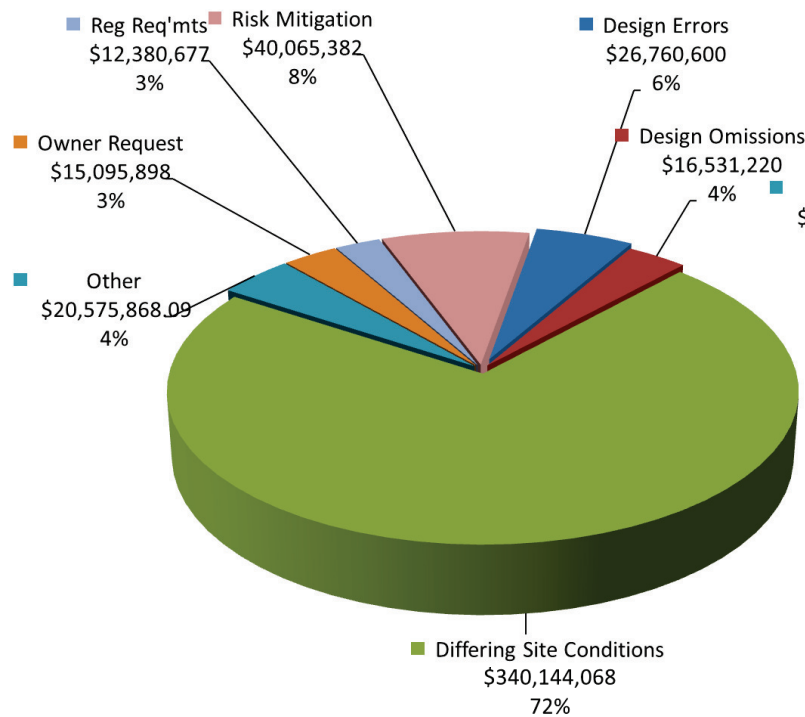


WSIP **Active & Completed** including BHR

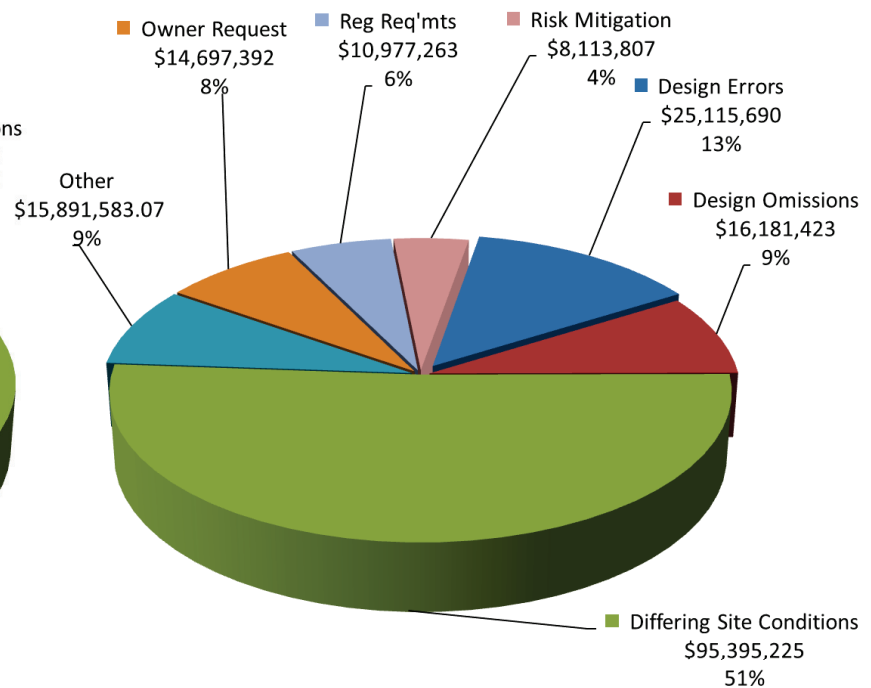
Change Order Reason

Approved Change Orders
June 2017

Total Approved CO
\$471.6M 26%



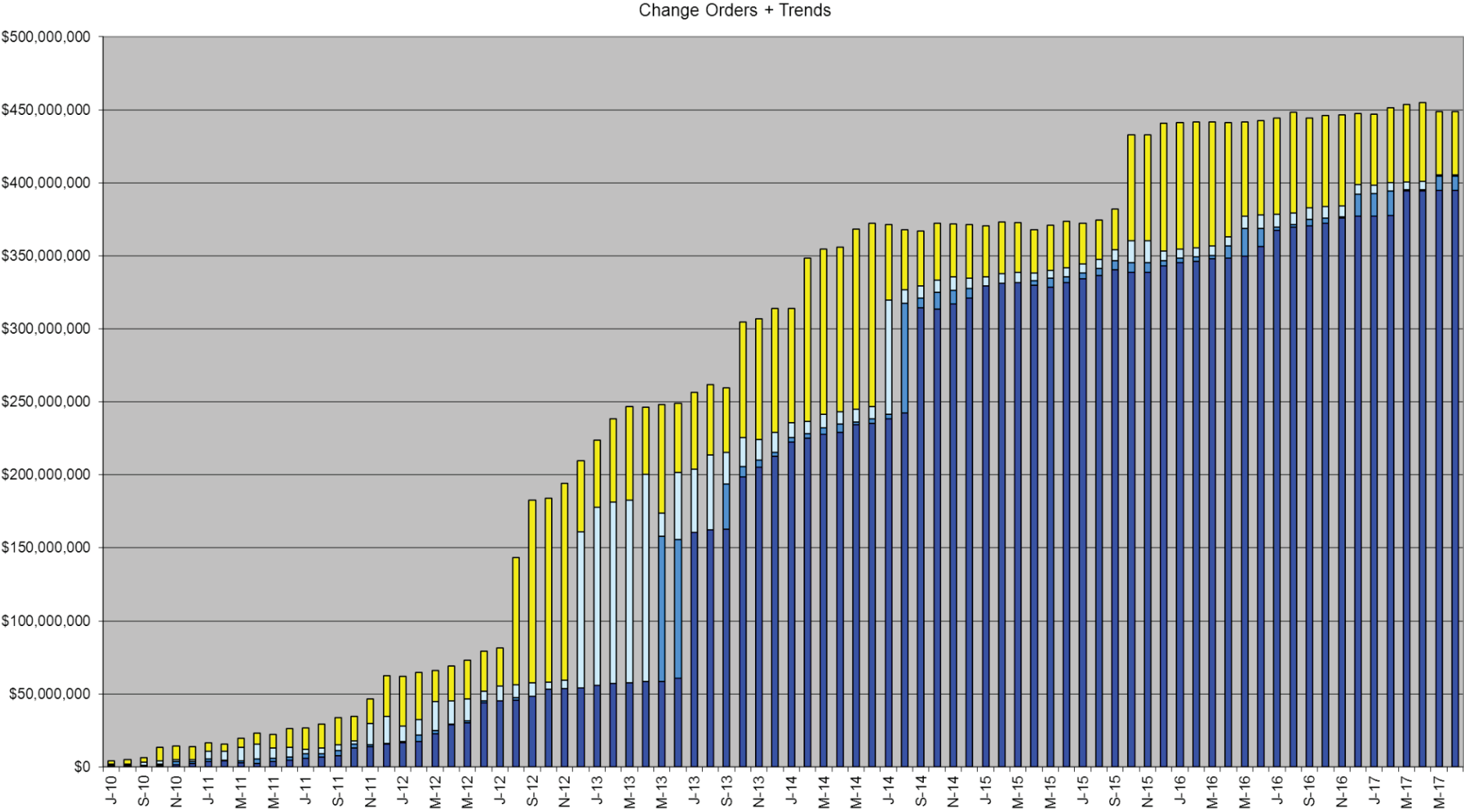
Total less CDRP
\$186M 12%



Change Order + Trends (June 2017)

March to June var **-\$2.6M**

May to June var **\$2M**

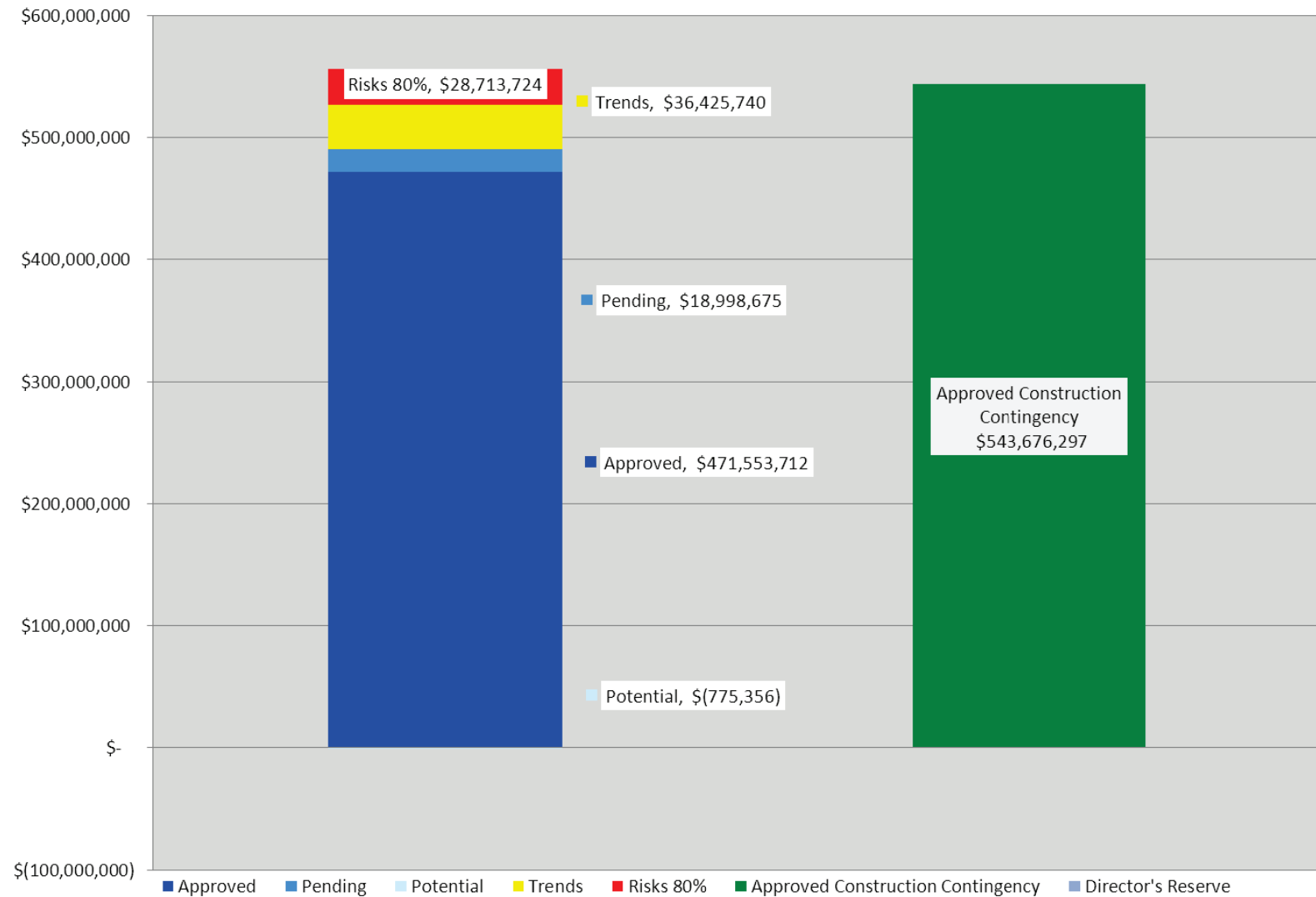


Note: Including BHR

WSIP **Active & Completed** including BHR

June 2017

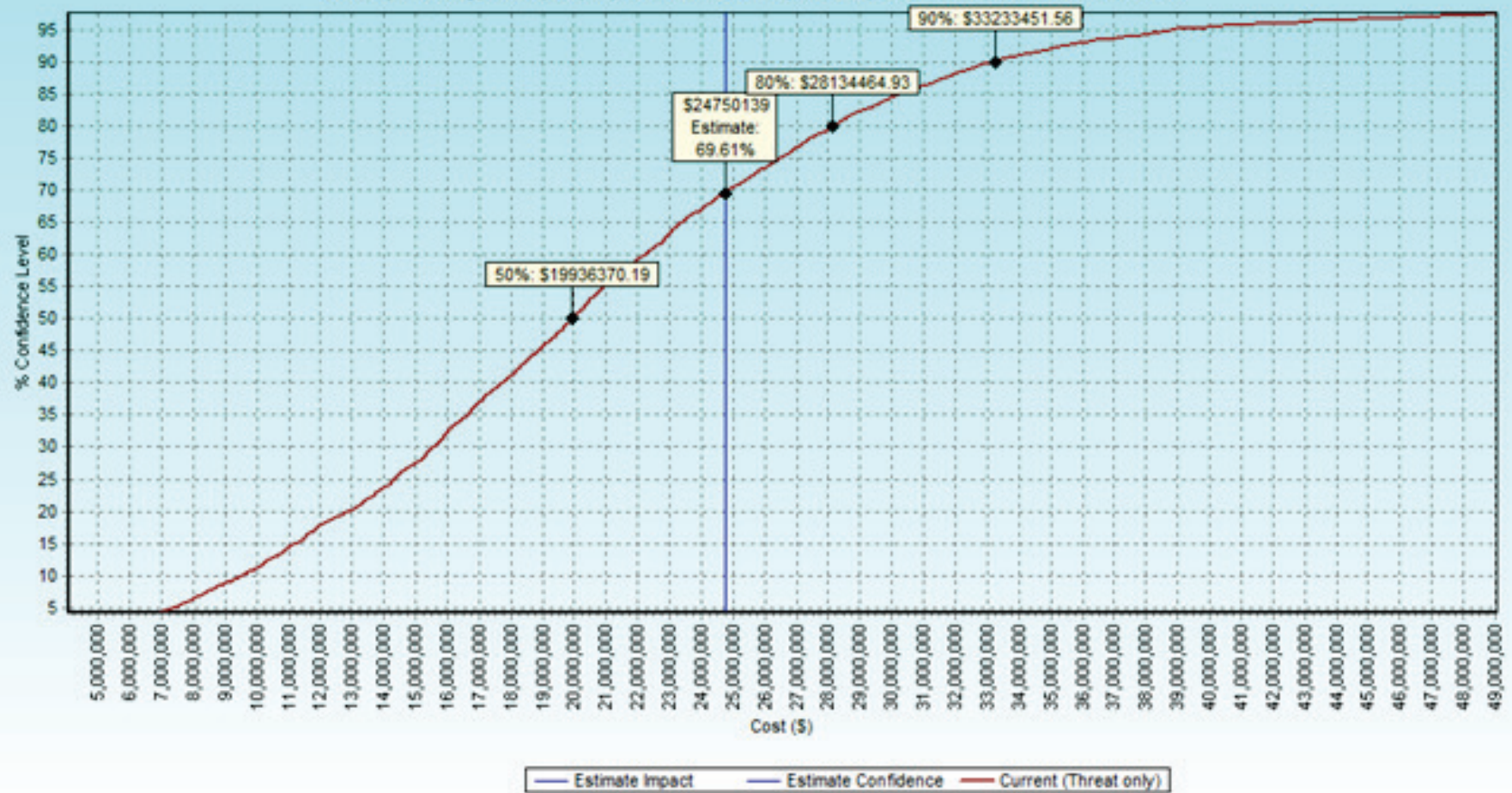
FORECASTED CHANGES	\$526,202,771
FORECASTED CHANGES+RISK80%	\$554,916,494



Cumulative Results for Cost Impact of WSIP on 27 Jun 2017

100 Slices, 2000 Iterations, Random Seed (1498594208).

Current (Threat only): Mean (Sampled): 21310819.15, Mean (Arithmetic): 21184654.67, SD: 10604483.1, CV: 0%





SFPUC Revenue Bond Oversight Committee: Controller's Pre-Qualified List of Vendors for Construction Contract Audit and Project Consulting Services

Controller's Office

July 2017

Overview of Controller's Pre-Qualified List

- Every 2 years, the Controller's Office creates a list of pre-qualified pool of vendors with demonstrated successful experience in construction contract audit and project consulting services.
- The purpose of the list is to provide City departments with a streamlined mechanism to contract with these firms.
- Responsibility for appropriate use belongs to each City department choosing to use the Controller's pre-qualified lists for subsequent selection processes and contracts.
- It is not appropriate to use a pre-qualified list for services that were not included or envisioned in the originating RFQ as described therein.

Overview of Controller's Pre-Qualified List

- You must obtain permission of the Controller's Office before using this list. Please contact Melissa Ng, Controller's Office at Melissa.Ng@sfgov.org or 554-5109 to use the pre-qualified list.
- The current list is available for use and resulting contracts are eligible to be effective through March 17, 2018. The Controller's Office will be renewing this list starting in Q2 of this fiscal year.

For more information and to check out pre-qualified firms' qualifications, check out the Controller's website:

<http://famis.sfgov.org/construction2016/>

Current Pre-Qualified Firms By Project Type

		Project Type 1	Project Type 2	Project Type 3
	Firms (Listed Alphabetically)	Construction Management, Contract, and Process Consulting	Construction Contract and Construction Process Performance and Compliance Audits and Attestation Engagements	Claims Analysis and Resolution
1	Arcadia U.S. Inc			X
2	Dabri, Inc.	X	X	X
3	Hill International	X	X	X
4	Marsh USA Inc.		X	
5	Moss Adams LLP		X	
6	Navigant Consulting, Inc.			X
7	PMA Consultants LLC	X	X	X
8	R.W. Block Consulting, Inc.	X	X	
9	Resolution Management Consultants, Inc			X
10	SF Delaney Consulting		X	
11	Sjoberg Evashenk Consulting, Inc.	X	X	
13	Talson Solutions LLC		X	

Project Type 1: Construction Management, Contract, and Process Consulting

Firms pre-qualified for work in this Project Type may be engaged to 1) perform the analyses, evaluations and assessments in their entirety, 2) analyze, evaluate or assess selected processes, 3) assist in-house CSA staff or CSA client departments in performing these analyses, evaluations and assessments, or 4) provide technical assistance to CSA staff, CSA client department staff, or City committees or commissions in one or more specialized areas, including assistance in identifying industry or government agency best practices.

Firms pre-qualified for work in this Project Type may perform analyses, evaluations and assessments of specific capital program areas, projects or of individual City departments. The analyses, evaluations and assessments may include all facets of the construction process, commencing with the solicitation of contractor bids or proposals through project closeout. Firms may also perform analyses, evaluations and assessments of costs billed under both construction-related professional services contracts and construction contracts, including, but not limited to:

- Construction-Related Professional Service Contracts – Contracts for program management, project management, construction management, architectural and engineering services, and environmental services, as well as design-build contracts, involving either prime contractors or subcontractors
- Construction Contracts – Including lump sum, unit price, and time and materials contracts, involving either prime contractors or subcontractors.

Project Type 1: Construction Management, Contract, and Process Consulting (cont)

PROJECT TYPE 1 services may include analyses, evaluations and assessments in the following areas:

- Pre-Design (Alternatives analysis - renovation vs. new construction; Alternative location/site evaluation and selection; Environmental review process; Evaluation of alternative design/construction delivery methods)
- Project Development (Review of project definition, goals and objectives; Feasibility of project plans, schedules, milestones, and deadlines; Review of, or assistance with, construction cost estimates and budget)
- Design (Architect/engineer team performance; Compliance with project plan, design delivery schedule and milestones; Life cycle and cost analysis of materials, systems and equipment; Construction cost estimating and project scope control; Value engineering and alternatives analysis; Final design compliance with scope and budget.)
- Capital Program-Wide Reviews (Review and evaluation of capital program management approaches; Evaluating and establishing key performance indicators, measures or benchmarks for capital programs; Evaluation of City oversight and controls in capital program management related to budget, scope, and schedule; Review of compliance with project management contracts. Review of project operational and financial controls and procedures; Adequacy of project reporting and results to be achieved; Evaluation of cost and schedule control processes; Evaluation of program trends pertaining to schedule and budget; Comparing performance with similar agencies, jurisdictions, programs or projects; Evaluation of cost and time efficiency of project delivery implementation)
- Project Close-Out Assessments (Evaluation of fulfillment of all contractual and legal obligations; Review and evaluation of compliance with all contract close-out procedures)

Project Type 2: Construction Contract and Construction Process Performance and Compliance Audits and Attestation Engagements

Firms pre-qualified for work in this Project Type may be engaged to 1) perform these audits or attestation engagements in their entirety, 2) audit or attest to selected processes, or 3) assist or lead in-house CSA staff or CSA client departments in performing these audits or attestation engagements by leading or providing technical assistance. Firms pre-qualified for work in this Project Type are required to conduct and deliver requested services as performance or compliance audits and attestation engagements as defined by United States Government Accountability Office's Government Auditing Standards.

Firms pre-qualified for work in this Project Type may perform performance and compliance audits or attestation engagements of specific capital programs or projects or of individual City departments. The audits or attestation engagements may include all facets of the construction process, commencing with the solicitation of contractor bids or proposals through project closeout. Firms may also perform audits or attestation engagements of costs billed under both construction-related professional services contracts and construction contracts, including, but not limited to:

- Construction-Related Professional Service Contracts – Contracts for program management, project management, construction management, architectural and engineering services, and environmental services, as well as design-build contracts, involving either prime contractors or subcontractors
- Construction Contracts – Including lump sum, unit price, and time and materials contracts, involving either prime contractors or subcontractors

Project Type 2: Construction Contract and Construction Process Performance and Compliance Audits and Attestation Engagements (cont)

PROJECT TYPE 2 services may include performance and compliance audits or attestation engagements of:

- Bid and proposal processes and procurement management.
- Preparation of construction contract documents.
- Contracting and contract administration.
- Construction schedule adherence and schedule management.
- Job site monitoring and inspection procedures.
- Cost management and cost monitoring/reporting.
- Payment applications, processing and administration.
- Change management/change order processes and controls.
- Contingency usage.
- Project and program management approaches and their impact on projects and project trends.
- Contract delivery/performance.
- Risk management.
- Accounting systems (e.g. payroll audits, rates, cost segregation, and overhead).
- Cost segregation.
- Overhead rates or labor multipliers.
- Payroll reviews (billed hours, rates, burden rates).
- Evaluation of cost and time efficiency of project delivery implementation.

Project Type 3: Claims Analysis and Resolution

Firms pre-qualified for work in this Project Type may be engaged to provide services on an as-needed basis to 1) produce reports or technical memorandums to CSA or CSA client departments, or 2) lead or provide technical assistance to CSA staff or CSA client department staff in the following areas:

- Appraising design errors and omissions.
- Claim preparation and evaluation.
- Risk evaluation and quantification.
- Determining schedule and change order impacts.
- Damage assessments.
- Construction productivity loss.

Questions?

Please contact Melissa Ng, Controller's Office at Melissa.Ng@sfgov.org or 554-5109 to use the pre-qualified list.

<http://famis.sfgov.org/construction2016/>

Evans, Derek

From: Kelley, Nicole (CON)
Sent: Wednesday, August 02, 2017 4:43 PM
To: Evans, Derek
Cc: Lediju, Tonia (CON)
Subject: RE: RBOC presentation - 7/24
Attachments: CSAAudits.RBOC.Presentation.072417.pptx

Hi Derek,

My apologies for the delayed response. Please find the slides from the presentation attached. Below is a list of the pre-qualified firms and the types of services that they can provide. I also included a description of the two projects that have conducted by one of the firms on behalf of the SFPUC. Please let me know should you need anything else.

Firms (Listed Alphabetically)	Project Type 1	Project Type 2	Project Type 3
	Construction Management, Contract, and Process Consulting	Construction Contract and Construction Process Performance and Compliance Audits and Attestation Engagements	Claims Analysis and Resolution
1 Arcadia U.S. Inc			X
2 Dabri, Inc.	X	X	X
3 Hill International	X	X	X
4 Marsh USA Inc.		X	
5 Moss Adams LLP		X	
6 Navigant Consulting, Inc.			X
7 PMA Consultants LLC	X	X	X
8 R.W. Block Consulting, Inc.	X	X	
9 Resolution Management Consultants, Inc			X
10 SF Delaney Consulting		X	
11 Sjoberg Evashenk Consulting, Inc.	X	X	
13 Talson Solutions LLC		X	

The following are active CSA contracts resulting from RFQ#CON2016-01, Construction Contract Audit and Project Consulting Services:

Vendor Name	Audit/Project	Brief Description of Scope of Work	Contract Start Date	Contract End Date	Amount
R.W. Block Consulting, Inc.	SFPUC Sewer System Improvement Project Bond	Sewer System Improvement Project Performance Audit: Evaluate the SSIP planning and pre-construction activities to ensure adequate practices are in place to control cost, ensure work activities proceed according to plan, the early procurements follow guidelines, and that adequate governance and compliance processes are in place to ensure expenditures follow policies and procedures	11/15/2016	6/30/2018	81,800
R.W. Block Consulting, Inc.	Assessment of Insurance Practices for Capital Projects	Design and Construction Insurance Assessment: Evaluate various city departments' insurance procurement practices and determine whether opportunities exist to reduce cost, improve coverage, or both through potential aggregation of coverage across departments, especially given the volume of construction planned over the next 5-10 years.	11/15/2016	6/30/2018	61,120

Best,

Nicole Kelley
 Audit Manager
 Office of the Controller, City Services Auditor Division
 City & County of San Francisco
 TEL: (415) 554-7636
 FAX: (415) 554-7664

From: Evans, Derek
Sent: Friday, July 28, 2017 4:55 PM
To: Kelley, Nicole (CON) <nicole.kelley@sfgov.org>; Lediju, Tonia (CON) <tonia.lediju@sfgov.org>
Subject: RBOC presentation - 7/24

Hello,

Can you please forward your presentation from the 7/24 RBOC meeting.

Thank you again for joining us and providing your presentation.

Regards,

Derek K. Evans

Assistant Clerk, Board of Supervisors

1 Dr. Carlton B. Goodlett Place, City Hall, Room 244

San Francisco, CA 94102

Phone: (415) 554-7702 | Fax: (415) 554-5163

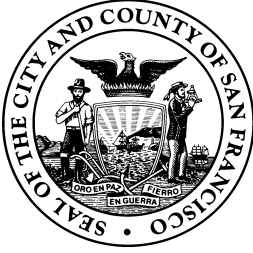
Derek.Evans@sfgov.org | www.sfbos.org



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

**Public Utilities Commission Building
525 Golden Gate Ave., 4th Floor
San Joaquin Conference Room
San Francisco, CA 94102**

June 12, 2017 - 9:00 AM

Regular Meeting

Mission: The purpose of the Revenue Bond Oversight Committee (RBOC) is to monitor 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's goal is to ensure that specific SFPUC revenue bond proceeds are spent appropriately and according to authorization and applicable laws. The RBOC provides oversight to ensure transparency and accountability in connection with expenditure of the proceeds. The public is welcome to attend RBOC meetings and provide input.

1. Call to Order and Roll Call

Seat 1 Holly Kaufman, Co-Chair (*Holdover status*)
Seat 2 Kevin Cheng (*Holdover status*)
Seat 3 Robert Leshner, Co-Chair
Seat 4 Tim Cronin
Seat 5 Travis George, Vice Chair
Seat 6 Christina Tang
Seat 7 Jennifer Millman

Co-Chair Leshner called the meeting to order at 9:04 a.m. On the call of the roll, Co-Chair Leshner, Vice Chair George, and Members Cronin and Millman were noted present. Co-Chair Kaufman and Member Cheng were noted not present.

Member Tang was noted present at 9:41 a.m.

2. Agenda Changes

There were no agenda changes.

3. 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. Speakers: There were none.

4. **San Francisco Public Utilities Commission (SFPUC) Staff Report:** Sewer System Improvement Program (SSIP) Updates

Karen Kubick, Director of Sewer System Improvement Program (SFPUC); provided an update of the SSIP, including program status; timeline; cost development history; review of 2012 Commission-endorsed budget; prioritization and refinement process; 2016 program baseline; current overall budget; current cost development efforts; and achievements. Richard Morales, Debt Manager, and Mike Brown (SFPUC); provided information and responded to questions raised throughout the hearing matter.

Public Comment. Speakers: There were none.

5. **San Francisco Public Utilities Commission (SFPUC) Staff Report:** Debt Management Policies and Procedures, Including Green Bonds

Richard Morales, Debt Manager, and Mike Brown (SFPUC); provided an overview of debt management policies and procedures; a progress report; a proposed policies update; and green bonds policies and procedures update.

Mark Blake, Deputy City Attorney; joined in the discussion and provided information relating to the hearing matter.

Public Comment. Speakers: There were none.

6. **City Services Auditor Staff Report:** Consultant Pool Presentation

Mike Brown and Lenore Koutney (SFPUC); provided information and answered questions raised throughout the discussion. Mark Blake, Deputy City Attorney; joined in the discussion and provided information relating to the hearing matter.

Public Comment. Speakers: There were none.

By unanimous consent, the Committee CONTINUED this hearing to the July 24, 2017, RBOC meeting.

7. **San Francisco Public Utilities Commission (SFPUC) Staff Report:** Environmental Justice Update, Including Policy and Checklist

Yolanda Manzone, Acting Director of Community Benefits (SFPUC); provided an update on the SFPUC Environmental Justice (EJ) policy, as well as an EJ checklist, and answered questions raised throughout the discussion. Mark Blake, Deputy City Attorney; joined in the discussion and provided information relating to the hearing matter.

Public Comment. Speakers: There were none.

8. **Committee Discussion:** Review RBOC Account and Budget; Preview of Debt Certification by Bond Series

Mike Brown (SFPUC); provided information and answered questions raised throughout the discussion. Mark Blake, Deputy City Attorney; joined in the discussion and provided information relating to the hearing matter.

Public Comment. Speakers: There were none.

9. **Committee Discussion: RBOC Site Visit**

Mike Brown (SFPUC); provided information and answered questions raised throughout the discussion.

Public Comment. Speakers: There were none.

By unanimous consent, the Committee requested a site visit of the Calaveras Dam for the August 7, 2017, meeting. Further, the Committee requested a tentative site visit of the Southeast Wastewater Treatment Plant for the November 6, 2017, meeting.

10. **Approval of Minutes: May 8, 2017, Meeting Minutes**

Public Comment. Speakers: There were none.

Co-Chair Leshner, seconded by Member Cronin, moved to APPROVE the May 8, 2017, Meeting Minutes. The motion carried by the following vote:

Ayes: 5 – Cronin, George, Leshner, Millman, and Tang

Absent: 2 – Cheng, Kaufman

11. **Announcements, Comments, Questions, and Tentative Future Agenda Items**

Public Comment. Speakers: There were none.

July 24, 2017

1. WSIP update - staff report
2. Green infrastructure – delivery methods
3. Mountain Tunnel Update
4. City Services Auditor Staff Report: Consultant Pool Presentation
5. Draft Certification for Bond compliance
6. Potential Future Audits

August 7, 2017

1. Half day site visit – Calaveras Dam

September 18, 2017

1. SSIP Update
2. Follow up to May discussion on avoiding major costs overruns and consultant pool info
3. Review RBOC account/budget
4. Green infrastructure – delivery methods – follow up

October 16, 2017

1. WSIP update
2. Seminar on capital planning
3. Calaveras Dam – deep dive

4. *RBOC Succession Planning*
5. *Bond spending – debt certification by bond series and finalizing draft certification to be included in annual report*
6. *Annual Report – First Draft*

November 6, 2017

1. *Tentative site visit – Southeast Wastewater Treatment Plant*
2. *SSIP update*

December 11, 2017

1. *Clean Power/Power Enterprise presentation*

12. **Adjournment**

There being no further business, the meeting adjourned at 11:13 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 Revenue Bond Oversight Committee on July 24, 2017.

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 – (415) 554-5184.

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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.

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請電 (415) 554-7719

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