



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**

June 25, 2018 - 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 and Roll Call

Members:

Seat 1 Vacant
Seat 2 Kevin Cheng
Seat 3 Robert Leshner, Chair
Seat 4 Tim Cronin
Seat 5 Travis George, Vice Chair
Seat 6 Christina Tang
Seat 7 Jennifer Millman

Chair Leshner called the meeting to order at 9:10 a.m. On the call of the roll, Chair Leshner, Vice Chair George, and Members George and Millman were noted present. Members Cheng and Tang were noted absent. There was a quorum.

Member Tang was noted present at 9:19 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.

Speakers:

None.

4. **SFPUC Staff Report: Capital Plan and Debt Financing Impact.**

Richard Morales and Mike Brown (SFPUC) provided an update on the Capital Plan and Debt Financing Impact and responded to questions from the Committee.

Public Comment:

None.

There were no actions taken.

5. **SFPUC Staff Report: Water System Improvement Program (WSIP) Quarterly Update.**

Dan Wade and Mike Brown (SFPUC) provided the quarterly update on the Water System Improvement Program. Upon discussion the RBOC requested an update on the financial impact and other risks of disasters.

Public Comment:

None.

There were no actions taken.

6. **RBOC: Review of RBOC audit topics, previous RBOC Request for Quote, process/procedures for hiring an auditor, and review of the possibility of obtaining a third party contract administrator.**

Chair Leshner provided a summary of the past discussions of the RBOC regarding the matter.

Ivy Vine and Mike Brown (SFPUC) provided information and answered questioned from the RBOC. Ms. Vine suggested that the RBOC hire 2 separate contracts from the approved list, one to act as a contract administrator and another to perform the audit. Mr. Brown stated that he would contact ex-city employees who may be able to act as contract administrator.

Public Comment:

None.

The matter was continued to the next meeting of the RBOC without objections.

7. **RBOC: Charter Sunset Date Extension and Planning.**

The RBOC requested that Deputy City Attorney Mark Blake prepare draft legislation to extend the sunset date of the RBOC for discussion and possible approval at the next meeting of the RBOC.

Public Comment:

None.

The matter was continued to the next meeting of the RBOC without objections.

8. **RBOC: Review of CFO Annual Certification.**

The RBOC requested that Deputy City Attorney Mark Blake revise the draft CFO Annual Certification as previously requested for review/approval at the next meeting of the RBOC.

Public Comment:

None.

The matter was continued to the next meeting of the RBOC without objections.

9. **RBOC: Fund Management Policy.**

Vice Chair George provide a summary of a proposed Fund Management Policy. Upon receipt of Vice Chair George's additional comments, The RBOC request that Deputy City Attorney Mark Blake comment on the Fund Management Policy prior to possible approval at the next meeting of the RBOC.

Public Comment:

None.

The matter was continued to the next meeting of the RBOC without objections.

10. **RBOC: Election of Officers.**

Chair Leshner provided a statement regarding the election of officers to the RBOC.

Chair Leshner, seconded by Vice Chair George, moved to appoint Robert Leshner and Travis George as Co-Chairs of the RBOC and appoint Christina Tang as Vice-Chair of the RBOC.

Public Comment:

None.

The motion PASSED without objections.

11. **Approval of Minutes:** May 21, 2018, Meeting Minutes.

Member Cronin commented on future titles used by the RBOC.

Member Cronin, seconded by Chair Leshner, moved to approve the May 21, 2018, RBOC meeting minutes.

Public Comment:

None.

The motion PASSED without objection.

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

Mike Brown, SFPUC, and the RBOC discussed future agenda items and site visits. Upon discussion the RBOC set July 10, 2018, as the date for off-site tours, cancelled the July 16, 2018, RBOC meeting, and rescheduled the August 20, 2018, meeting to August 13, 2018.

Public Comment:

Dan Falnigan, (Friends of the Urban Forest), introduced himself as a possible applicant to be a member of the RBOC.

July 10, 2018

Off-site tour

July 16, 2018 (Cancelled).

August 20, 2018

1. To be determined.

September 17, 2018

1. SFPUC Staff Report: Water System Improvement Program (WSIP) Financing Expenses.

October 15, 2018

1. To be determined.

November 26, 2018

1. SFPUC Staff Report: Mountain Tunnel update.

December 17, 2018

1. To be determined.

Pending Issues:

1. SFPUC Staff Report: Stormwater Management System Ordinance and Green Infrastructure
2. San Francisco Public Utilities Commission (SFPUC) Staff Report: Clean Power SF financing options
3. SFPUC Staff Report: Nature Resources Accounting Update
4. RBOC: Acquiring consultant to examine expected performance of complete projects.
5. SFPUC Staff Report: Environmental Justice and Clean Power Update

13. **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 by the RBOC: August 13, 2018