



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

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

**September 18, 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 Kaufman called the meeting to order at 9:05 a.m. On the call of the roll, Co-Chairs Kaufman and Leshner, and Members Cheng and Millman were noted present. Member Cronin participated in the meeting via teleconference. There was a quorum.

The RBOC expressed the desire to provide a certificate of honor to former Clerk Derek Evans. San Francisco Public Utilities Commission (SFPUC) staff indicated that they would prepare a letter recognizing Mr. Evans and present it to the RBOC for signature prior to transmittal.

**2. Agenda Changes**

Co-Chair Kaufman reviewed the agenda and indicated that Item Nos. 7 and 8 were to be continued to a future meeting.

Public Comment: None.

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

Karen Kubick, Director of Sewer System Improvement Program, Richard Morales, Debt Manager and Mike Brown (SFPUC), provided an update of the SSIP, including program status timelines, Bio-Solid Digester Project, and Hard Works Facility Project and responded to questions raised throughout the hearing matter.

The RBOC indicated their desire to work with SFPUC to perform outreach for a possible off-site meeting on November 6, 2017. Mike Brown (SFPUC) indicated that he would reserve a hearing room as a precaution.

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

No Actions Taken.

Public Comment: None.

5. **Committee Discussion:** Follow-up to May discussion on avoiding cost overruns and consultant pool information.

Co-Chair Kaufman provided a summary of the issue and previous discussion by the RBOC during the July 2017, meeting. Richard Morales, Debt Manager and Mike Brown (SFPUC) responded to question raised throughout the hearing matter.

It was requested that a list of Controller authorized consultants, consultant’s past jobs and possible review of consultants be provided. Mike Brown indicate that he would contact the Control to retrieve the list.

Member Cheng indicated lessons learned from the Transbay Center construction project and the RBOC RW Block audit as a source for developing future audits projects. Member Cheng suggested that members be polled for questions that they would like addressed in the future audits.

**Co-Chair Kaufman moved to continue the matter to October 16, 2017.**

Public Comment:  
None.

**The motion PASSED by the following vote:**

Ayes: 4 – Kaufman, Leshner, Cheng, Millman

Noes: 0 – None

Absent: 3 – Cronin, George, Tang

6. **San Francisco Public Utilities Commission (SFPUC) Staff Report:** Review RBOC Account/Budget.

Richard Morales, Debt Manager and Mike Brown (SFPUC) responded to questions raised throughout the hearing matter. The RBOC requested information regarding the bond sales and the possibility of attending the auction proceedings.

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

No actions taken.

Public Comment: None.

7. **San Francisco Public Utilities Commission (SFPUC) Staff Report:** Green Infrastructure.

**Co-Chair Kaufman moved to continue the matter to November 6, 2017.**

Public Comment:

None.

**The motion PASSED by the following vote:**

Ayes: 4 – Kaufman, Leshner, Cheng, Millman

Noes: 0 – None

Absent: 3 – Cronin, George, Tang

8. **San Francisco Public Utilities Commission (SFPUC) Staff Report:** Draft Certification for Bond Compliance.

**Co-Chair Kaufman moved to continue the matter to November 6, 2017.**

Public Comment:

None.

**The motion PASSED by the following vote:**

Ayes: 4 – Kaufman, Leshner, Cheng, Millman

Noes: 0 – None

Absent: 3 – Cronin, George, Tang

9. **Approval of Minutes:** July 24, 2017, and August 7, 2017, Meeting Minutes.

**Co-Chair Leshner, seconded by Member Chen, moved to approve the minutes for July 24, 2017, and August 7, 2017.**

Public Comment: None.

**The motion PASSED by the following vote:**

Ayes: 4 – Kaufman, Leshner, Cheng, Millman  
Noes: 0 – None  
Absent: 3 – Cronin, George, Tang

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

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
5. Draft Certification for Bond Compliance

October 16, 2017

1. WSIP “risk closeout” – Calaveras “deep dive” (final risks vs. Director’s reserve) Seminar on capital planning
2. Calaveras Dam – deep dive
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

The ROBC requested a discussion regarding Environmental Justice. Member Cheng suggested that the ROBC occur at the Southeast Wastewater Treatment Plant. Co-Chair Kaufman requested that the SFPUC assist with outreach for the potential November 6, 2017, offsite meeting.

**Co-Chair Leshner, seconded by Co-Chair Kaufman, moved to create a subcommittee to create a draft of the Annual Report (Members: Kaufman and Leshner).**

Public Comment:

None.

**The motion PASSED by the following vote:**

Ayes: 4 – Kaufman, Leshner, Cheng, Millman

Noes: 0 – None

Absent: 3 – Cronin, George, Tang

**11. Adjournment**

*There being no further business, the meeting adjourned at 10:30 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.*

Clerk to do from 9/18/17:

- Get mailing address for Derek
- Send old annual report to members word format
- Send emails to members asking what their questions are....what are question to be address if we hire consultant to audit based on past lesson learned and Transbay center article.
- Poll availability for January 22, 2018 strategic planning meeting
- Poll Co-Chairs for Date for annual report subcommittee hearing

Initiator