

# Public Utilities Revenue Bond Oversight Committee

## Minutes Special Meeting

Monday, January 24, 2011  
9:30 a.m.  
1155 Market Street (between 7<sup>th</sup> & 8<sup>th</sup> Streets)  
4<sup>th</sup> Floor Conference Room

### Committee Members

Aimee Brown, Chair  
Brian Browne  
Kevin Cheng  
Ian Hart  
David Sutter  
John Ummel

### REGULAR AGENDA

#### 1. Call to Order and Roll Call

Chair Brown called the meeting to order at 9:30 a.m. and roll call was taken:

Present: Aimee Brown, Brian Browne, Kevin Cheng, Ian Hart, David Sutter,  
and John Ummel.

Absent: None.

There was a quorum.

#### 2. Public Comment: Members of the public may address the Revenue Bond Oversight Committee (RBOC) on matters within the RBOC's jurisdiction that are not on today's agenda.

Public Comment: None.

#### 3. Discussion and Possible Action: RBOC Scope of Work for Future Projects; RBOC Contracting Options; and Potential Requests for Proposals.

Chair Brown led the discussion and summarized the RBOC status as it relates to Scope of Work for Future Projects; RBOC Contracting Options; and Potential Requests for Proposals.

Member Browne moved, seconded by Member Hart, to pass a resolution of the Public Utilities Revenue Bond Oversight Committee to request assistance of the Board of Supervisors in the furtherance of the Committee's Work (copy attached).

The motion failed by the following vote:

Ayes: Brian Browne

Noes: Aimee Brown, Kevin Cheng, Ian Hart, and John Ummel

Absent: David Sutter

Member Cheng moved, seconded by Member Hart, to direct the RBOC Chair to transmit a letter to the Board of Supervisors (BOS) requesting that the BOS provide the necessary technical and administrative support to the RBOC, pursuant to Proposition P, to develop a scope of work and other appropriate documents to secure the services of outside experts to conduct independent evaluations of the use of revenue bonds as described in Proposition P. In addition, the Chair shall include a request for an explanation as to how the BOS is complying with Proposition P in providing support to the RBOC.

The motion passed by the following vote:

Ayes: Aimee Brown, Brian Browne, Kevin Cheng, Ian Hart, and John Ummel

Noes: None

Absent: David Sutter

Pauson Yun (SFPUC); Charles Perl (SFPUC); Marc Hughes (SFPUC) Nancy Hom (SFPUC); Cahty Barnes (City Attorney's Office); Mark Blake (City Attorney's Office); presented information concerning the matter and/or answered questions raised during the hearing.

Public Comment: Nancy Wuerfel stated that it is important that the RBOC be independent. The Board of Supervisors should be used to provide technical support to assist the RBOC accomplish their goal.

Member Sutter was noted absent at 10:30 a.m.

#### **4. Discussion and Possible Action: RBOC 2010 Annual Report.**

Chair Brown summarized the RBOC 2010 Annual Report and reviewed and accepted amendments to the document from members of the RBOC and the SFPUC staff.

Member Hart moved, seconded by Member Ummel, to approve the RBOC 2010 Annual Report as amended.

The motion passed by the following vote:

Ayes: Aimee Brown, Kevin Cheng, Ian Hart, and John Ummel

Noes: Brian Browne

Absent: David Sutter

Public Comment: None.

#### **5. Discussion and Possible Action Relating to RBOC Member Information Requests Raised at Today's Meeting.**

Member Ummel: What Jurisdiction does the RBOC have over the indebtedness of the SFPUC? What are the expenditure restrictions of the RBOC set aside?

Chair Brown: Requested that Ed Harrington, General Manager, SFPUC, attend a future RBOC meeting. (March 21, 2011, tentative)

Public Comment: Nancy Wuerfel stated that RBOC budget should now be listed in the Annual Appropriation Ordinance (AAO) for review. Mark Blake (City Attorney's Office) stated that language is proposed to be added to the AAO to state that various committees are authorized to expend their existing funds. There is no need for a line item to appear in the City's budget as there are no appropriations to the RBOC.

#### **6. Discussion and Possible Action for Future Agenda Items.**

Public Comment: None.

#### **7. Adjournment**

Member Hart moved, seconded by Member Ummel, to adjourn the meeting at the hour of 11:00 a.m.

The motion passed unanimously.

The meeting adjourned at 11:00 a.m.

The minutes of the Public Utilities Revenue Bond Oversight Committee for January 24, 2011, were approved on March 21, 2011.

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Audio recording of the meeting of the Revenue Bond Oversight Committee is available at:

[http://sanfrancisco.granicus.com/ViewPublisher.php?view\\_id=97](http://sanfrancisco.granicus.com/ViewPublisher.php?view_id=97)

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Proposed Resolution submitted by Member Brian Browne:

**Resolution of the Public Utilities Revenue Bond Oversight Committee to request assistance of the Board of Supervisors in the furtherance of the committee's work**

**January 24, 2011**

Whereas, the **Public Utilities Revenue Bond Oversight Committee** (RBOC) is charged in Proposition P, passed 2002, with performing independent review of projects financed by revenue bonds, and the Committee now wishes to conduct an independent evaluation focused on comparing WSIP processes, best practices and performance metrics to comparable capital programs; and

Whereas, RBOC will sunset on 1/1/13 and therefore time is of the essence in conducting the appropriate independent studies necessary to keep bond projects legally bound on time (completed by 2015) and on budget, as well as to allow sufficient time for the Committee to deliberate and make findings of the studies, and to report to the Board of Supervisors; and

Whereas, the RBOC Contract Working Group has already concluded that an evaluation of the bond projects can best be accomplished by a multidisciplinary approach afforded by university professionals; and

Whereas, after years of solicitations and discussions with university respondents with the appropriate expertise and qualifications to perform the work, only one respondent - University of California, Berkeley - has demonstrated a continued interest with the requisite capabilities to fulfill the scope of work; and

Whereas, a sole source contract with UCB is the most expeditious way to allow time for the work to be done, and for RBOC to deliberate and formulate recommendations before the Committee sunsets; and

Whereas, Proposition P requires that the Board of Supervisors provide RBOC with appropriate technical and administrative support in furtherance of its purpose, now therefore,

BE IT RESOLVED that RBOC requests the Board of Supervisors provides the technical and administrative assistance to develop a scope of work and other appropriate documents at the Committee's direction that secures the services of outside academic experts to conduct independent evaluation of the use of revenue bond as described in Proposition P, and

BE IT FURTHER RESOLVED that RBOC requests the assistance of the Board of Supervisors to explore the immediate possibility of issuing a sole source contract to the professionals at the University of California, Berkeley, to fulfill the scope of work in a timely manner as directed by the Committee, and to allow the Committee sufficient time to report their findings to the Board of Supervisors before the Committee sunsets.