



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

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

**Monday, January 28, 2013 - 9:00 AM**

**Regular Meeting**

**1. Call to Order and Roll Call**

Seat 1 Holly Kaufman  
Seat 2 Kevin Cheng, Chair  
Seat 3 Karen Donovan  
Seat 4 Larry Liederman  
Seat 5 Vacant  
Seat 6 Ian Hart  
Seat 7 John Ummel, Vice Chair

**2. Public Comment:** Members of the public may address the Revenue Bond Oversight Committee (RBOC) on matters that are within the RBOC's jurisdiction, but not on today's agenda. (No Action)

**3. Chair's Report:**

- A. San Francisco Public Utilities Commission (SFPUC) Staff Report: WSIP Construction Management Update. (Discussion)
- B. RBOC Account Statement and Review/Approval of Invoices for Ongoing Approved Engagements. (Discussion and Action) (Attachment)
- I. Invoice – December 4, 2012 – RW Block Consulting, Inc.  
(For period ending 11/30/12)
  - II. Invoice – January 10, 2013 – RW Block Consulting, Inc.  
(For period ending 12/31/12)

**4. Update: Progress of RBOC Evaluation of WSIP by RW Block Consulting, Inc., (CS-254). (Discussion)**

**5. Election of Officers for the RBOC - 2013. (Discussion and Action)**

6. **RBOC 2012 Annual Report.** (Discussion and Action)
7. **Approval of RBOC Minutes of December 19, 2012.** (Discussion and Action)  
(Attachment)
8. **Announcements, Comments, Questions, and Future Agenda Items.**  
(Discussion and Action)
9. **Adjournment.**

### 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 Committee 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](http://sanfrancisco.granicus.com/ViewPublisher.php?view_id=97)

For information concerning San Francisco Public Utilities Commission please contact by e-mail [bondoversight@sfgwater.org](mailto:bondoversight@sfgwater.org) or by calling (415) 487-5245.

### Public Comment

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.

### Disability Access

RBOC meetings will be held at the Public Utilities Commission, 525 Golden Gate Avenue, San Francisco, CA. The Committee meeting room is wheelchair accessible. The nearest accessible BART station is Civic Center (Market/Grove/Hyde Streets). Accessible MUNI Metro lines are the F, J, K, L, M, N, T (exit at Civic Center or Van Ness Stations). MUNI bus lines also serving the area are the 5, 6, 9, 19, 21, 47, 49, 71, and 71L. For more information about MUNI accessible services, call (415) 701-4485.

The following services are available on request 48 hours prior to the meeting; except for Monday meetings, for which the deadline shall be 4:00 p.m. of the last business day of the preceding week: For American sign language interpreters or the use of a reader during a meeting, a sound enhancement system, and/or alternative formats of the agenda and minutes, please contact Mike Brown at (415) 487-5223 to make arrangements for the accommodation. Late requests will be honored, if possible.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City accommodate these individuals.

### 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 (Chapter 67 of the San Francisco Administrative Code) 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](mailto:sotf@sfgov.org).

Citizens may obtain a free copy of the Sunshine Ordinance by printing Chapter 37 of the San Francisco Administrative Code on the Internet, at <http://www.sfbos.org/sunshine>.

**Cell Phones, Pagers and Similar Sound-Producing Electronic Devices**

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.

**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 §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; web site [www.sfgov.org/ethics](http://www.sfgov.org/ethics).

3B

RBOC Account Summary January 2013

<b>Funding Sources (\$)</b>				
	<u>5W Water</u>	<u>5C Wastewater</u>	<u>5T Hetchy Power</u>	<u>Total</u>
Series				
2006 A Bonds	223,310	-	-	223,310
2008 CREBS	-	-	3,163	3,163
2009 A Bonds	236,598	-	-	236,598
2009 B Bonds	206,000	-	-	206,000
2010 A Bonds	28,473	23,525	-	51,998
2010 B Bonds	208,860	96,258	-	305,118
2010 D Bonds	35,680	-	-	35,680
2010 E Bonds	172,100	-	-	172,100
2010 F Bonds	90,480	-	-	90,480
2010 G Bonds	175,735	-	-	175,735
2011 A Bonds	301,358	-	-	301,358
2011 B Bonds	14,488	-	-	14,488
2011 C Bonds	16,798	-	-	16,798
2011 QECBS	-	-	4,150	4,150
2012 NCREBS	-	-	3,300	3,300
2012A Bonds	295,805	-	-	295,805
2012B Bonds	8,260	-	-	8,260
<b>A</b> Subtotal Sources - All	<b>2,013,943</b>	<b>119,783</b>	<b>10,613</b>	<b>2,144,338</b>
<b>Charges Against Budget (\$)</b>				
<b>Actual Charges</b>				
WSIP Expenditures & CP (2006)	59,370	-	-	59,370
Financial Review of WSIP (2007)	92,050	-	-	92,050
WSIP Sunset Reservoir (2009)	71,890	-	-	71,890
CSA Controller's Audit (2011/2012)	86,219	29,750	-	115,969
Independent Review Panel (IRP) (2011/2012)	116,010	-	-	116,010
LADWP for IRP (2011/2012)	11,489	-	-	11,489
IBBS Consulting for IRP (2011/2012)	47,000	-	-	47,000
CSA Audit - Final Bill Q3 12	29,625	-	-	29,625
<b>B</b> Subtotal Actual Charges	<b>513,654</b>	<b>29,750</b>	<b>-</b>	<b>543,403</b>
<b>A - B</b> Available Funds Before Pending Charges	<b>1,500,289</b>	<b>90,033</b>	<b>10,613</b>	<b>1,600,935</b>
<b>Pending Charges</b>				
RW Block Nov 2012 Progress Pmt (\$285,240 NTE)	66,770	-	-	66,770
RW Block Dec 2012 Progress Pmt (\$285,240 NTE)	75,830	-	-	75,830
<b>C</b> Subtotal Pending Charges	<b>142,600</b>	<b>-</b>	<b>-</b>	<b>142,600 *</b>
<b>A - B - C</b> Available Funds After Pending Charges	<b>1,357,689</b>	<b>90,033</b>	<b>10,613</b>	<b>1,458,335</b>

\* Change from prior month

**PROFESSIONAL SERVICES INVOICE**

Project Description:

COST AND SCHEDULE AT COMPLETION ANALYSIS

<p><b>To:</b></p> <p>San Francisco Public Utilities Commission                  Contract Administration Bureau - Centralized Invoice Processing Unit                  525 Golden Gate Ave, 8th Floor                  San Francisco CA 94102                  Contract #: CS-254                  Task Order #:</p>	<p>Sequential Statement No. <u>1</u>                  Consultant's Invoice No. <u>SFRBOC-1112-01</u>                  Consultant's Project No. _____                  Period Ending: <u>11/30/12</u>                  Date Prepared: <u>12/4/12</u>                  Date Revised: _____                  PO# _____</p>
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**From:** R. W. Block Consulting, Inc.  
 871 Ouler Road, Suite B  
 Orlando, FL 32814

**Payable To:** (Show if Different From Left)

LS/NITE	PHASE/COMPONENT	CONTRACT AMOUNT	TOTAL % COMPLETE	TOTAL BILLED TO DATE	PREVIOUSLY BILLED TO DATE	\$ AMOUNT BILLED THIS PERIOD	\$ BALANCE REMAINING
NITE	Professional Fees						
	Cost and Schedule at Completion Analysis	\$ 285,240.00	23.41%	\$ 66,770.00	\$ -	\$ 66,770.00	\$ 218,470.00
	Professional Services	\$ 285,240.00		\$ 66,770.00	\$ -	\$ 66,770.00	\$ 218,470.00
	SUBTOTAL	\$ 285,240.00	23.41%	\$ 66,770.00	\$ -	\$ 66,770.00	\$ 218,470.00
	Less Previously Billed		0.00%	\$ -	\$ -	\$ -	\$ 218,470.00
	<b>TOTAL AMOUNT DUE</b>		<b>23.41%</b>	<b>\$ 66,770.00</b>		<b>\$ 66,770.00</b>	

Name: *David Benounach*  
 David Benounach, RWBC, Executive Vice President  
 Company: R. W. Block Consulting, Inc.

ATTACHMENT TO PROFESSIONAL SERVICES INVOICE  
SUMMARY TIMESHEET FOR NOT-TO-EXCEED SERVICE FEES  
PERIOD ENDING: 30-NOV-2012

INVOICE # SFRBOC-1112-01      PROJECT: COST AND SCHEDULE AT COMPLETION ANALYSIS  
CONSULTANT: R W BLOCK CONSULTING, INC.

	Total Labor Hours to Date	Labor Hours Previously Billed	Labor Hours Billed This Period	Hourly Rate	Total Billed This Period
Roy Block, Principal	120.00	0.00	120.00	\$ 215.00	\$ 25,800.00
David Benouach, Project Lead	0.00	0.00	0.00	\$ 190.00	\$ -
Steve Gardner, Project Lead	0.00	0.00	0.00	\$ 190.00	\$ -
Sandi Ronaker, Sr. Associate	88.00	0.00	88.00	\$ 170.00	\$ 14,960.00
Dean Fojo, Sr. Associate	0.00	0.00	0.00	\$ 170.00	\$ -
Gill Girard, Sr. Associate	153.00	0.00	153.00	\$ 170.00	\$ 26,010.00
<b>TOTAL</b>					<b>\$ 66,770.00</b>

**Monthly Job Description:**

RWBC prepared material for 2 hr kick-off meeting with WSIP program management staff and RBOC members. Kick off meeting entailed an overview of the work to be accomplished, milestone schedule and planned site visits. In addition RWBC prepared a detailed document request for each project to be evaluated which resulted in the creation of a project-specific secure FTP site used for document sharing by the project team.

Other activities performed in November include commencement of document review, specifically project schedules and cost reports.

ATTACHMENT TO PROFESSIONAL SERVICES INVOICE  
 SUMMARY TIMESHEET FOR NOT-TO-EXCEED SERVICE FEES  
 PERIOD ENDING: 30-NOV-2012

INVOICE # SFRBOC-1112-01  
 PROJECT: COST AND SCHEDULE AT COMPLETION ANALYSIS  
 CONSULTANT: R W BLOCK CONSULTING, INC.

	TASK 1 - CONTRACT ADMINISTRATION	TASK 2 - DATA REVIEW AND ANALYSIS	TASK 3 - FIELD VALIDATION AND INTERVIEWS	TASK 4 - REPORT PREPARATION	TOTAL
Roy Block, Principal	24.00	96.00	0.00	0.00	120.00
David Benouaich, Project Lead	0.00	0.00	0.00	0.00	0.00
Steve Gardner, Project Lead	0.00	0.00	0.00	0.00	0.00
Sandi Roneker, Sr. Associate	0.00	88.00	0.00	0.00	88.00
Dean Folo, Sr. Associate	0.00	0.00	0.00	0.00	0.00
Gill Girard, Sr. Associate	0.00	153.00	0.00	0.00	153.00
<b>TOTAL</b>	<b>24.00</b>	<b>337.00</b>	<b>0.00</b>	<b>0.00</b>	<b>361.00</b>





ATTACHMENT TO PROFESSIONAL SERVICES INVOICE  
SUMMARY TIMESHEET FOR NOT-TO-EXCEED SERVICE FEES  
PERIOD ENDING: 31-DEC-2012

INVOICE # SFRBOC-1212-02      PROJECT: COST AND SCHEDULE AT COMPLETION ANALYSIS  
CONSULTANT: R W BLOCK CONSULTING, INC.

	Total Labor Hours to Date	Labor Hours Previously Billed	Labor Hours Billed This Period	Hourly Rate	Total Billed This Period
Roy Block, Principal	258.00	120.00	138.00	\$ 215.00	\$ 29,670.00
David Benouaich, Project Lead	64.00	0.00	64.00	\$ 190.00	\$ 12,160.00
Steve Gardner, Project Lead	0.00	0.00	0.00	\$ 190.00	\$ -
Sandi Ronaker, Sr. Associate	256.00	88.00	168.00	\$ 170.00	\$ 28,560.00
Dean Fojo, Sr. Associate	32.00	0.00	32.00	\$ 170.00	\$ 5,440.00
Gill Girard, Sr. Associate	153.00	153.00	0.00	\$ 170.00	\$ -
<b>TOTAL</b>					<b>\$ 75,830.00</b>

**Monthly Job Description:**  
RWBC continued review of project documentation, performed site visits of each mega project and interviewed over 20 project staff at each project location. RWBC team commenced data analysis of cost-related information for each project.

ATTACHMENT TO PROFESSIONAL SERVICES INVOICE  
SUMMARY TIMESHEET FOR NOT-TO-EXCEED SERVICE FEES  
PERIOD ENDING: 31-DEC-2012

INVOICE # SFRBOC-1212-02

PROJECT: COST AND SCHEDULE AT COMPLETION ANALYSIS  
CONSULTANT: R W BLOCK CONSULTING, INC.

	TASK 1 - CONTRACT ADMINISTRATION	TASK 2 - DATA REVIEW AND ANALYSIS	TASK 3 - FIELD VALIDATION AND INTERVIEWS	TASK 4 - REPORT PREPARATION	TOTAL
Roy Block, Principal	0.00	100.00	38.00	0.00	138.00
David Benouatch, Project Lead	0.00	64.00	0.00	0.00	64.00
Steve Gardner, Project Lead	0.00	0.00	0.00	0.00	0.00
Sandi Roneker, Sr. Associate	0.00	100.00	68.00	-0.00	168.00
Dean Fojo, Sr. Associate	0.00	0.00	32.00	0.00	32.00
Gill Girard, Sr. Associate	0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>264.00</b>	<b>138.00</b>	<b>0.00</b>	<b>402.00</b>

1. RWBC continued review of project documentation, performed site visits of each mega project and interviewed over 20 project staff at each project location.  
RWBC team commenced data analysis of cost-related information for each project.



**San Francisco**  
**Water Power Sewer**  
 Services of the San Francisco Public Utilities Commission

Contract Administration Bureau  
 525 Golden Gate, 8th Floor  
 San Francisco, CA 94103  
 T 415.551.4603  
 F 415.554.3225

November 7, 2012

Roy Block  
 RW Block Consulting  
 130 Sutter Street  
 San Francisco, CA 94104  
 Email: Roy.block@rwblockconsulting.com

- RE:** 1) Notice of Contract Award - Public Utilities Revenue Bond Oversight Committee (CS-254)  
 2) Transmittal - Executed Agreement between the City and County of San Francisco Public Utilities Commission and RW Block Consulting

Dear Mr. Block:

This letter provides a *notification of contract award* for the following contracted work:

**BLANKET PURCHASE ORDER NO:** **BPUC13000040**  
 - *Work may not be charged against this blanket purchase order number*

**SCOPE:** A Cost Estimate at Completion (EAC) and Schedule at Completion (SAC) analysis for a representative sample of projects be reviewed by RBOC's consultant for purposes of evaluating the accuracy, soundness, and quality of the SFPUC'S cost and schedule forecasts and the WSIP's overall status with regard to cost and schedule.

**EFFECTIVE DATE:** **November 5, 2012 to June 30, 2013**

**CONTRACT TO DATE:** Total value of contract not to exceed **\$285,240.00**

Invoices must be charged against specific task orders only after a *Notice to Proceed* has been issued.

Should you have any questions, please do not hesitate to contact Rosiana Angel at (415) 554-1549.

Edwin M. Lee  
 Mayor

Art Torres  
 President

Vince Courtney  
 Vice President

Ann Moller Caen  
 Commissioner

Francesca Vietor  
 Commissioner

Anson Moran  
 Commissioner

Harlan L. Kelly, Jr.  
 General Manager



Enclosure: Executed Agreement

cc: Mike Brown

File/NCA-CS-254

**Appendix A**  
**Services to be provided by Contractor**

Contractor agrees to perform said services all in accordance with the terms of this Agreement. Any change in the Scope of Services must be approved in advance by RBOC.

**I. Description of Services**

In light of recent recommendations made to RBOC by Dr. William Ibbs (Ibbs Consulting) and a SFPUC Independent Review Panel, RBOC has requested that the SFPUC conduct a Cost Estimate at Completion (EAC) and Schedule at Completion (SAC) analysis for a representative sample of projects and that this analysis be reviewed by RBOC's consultant (Task A) for purposes of evaluating the accuracy, soundness, and quality of the SFPUC's cost and schedule forecasts and the WSIP's overall status with regard to cost and schedule.

In addition, RBOC's consultant (Task B) will review of all forecasted delivery costs remaining to complete the WSIP based on the most current information available at the time of the consultant's analysis for purposes of verifying that such remaining costs reflect the phasing out of resources as the WSIP program winds down over the next few years.

**II. Main Objectives**

The main objectives surrounding tasks A and B require the consultant to answer these two fundamental questions:

- Does the current WSIP methodology for forecasting cost and schedule provide realistic, sound, and reliable projections?
- What is the confidence level that the program will be completed within the currently approved WSIP schedule and cost?

Contractor will review the SFPUC's EAC/SAC analysis and remaining delivery costs and provide RBOC with a report as to the accuracy, soundness, and quality of the SFPUC's forecasting practices at the project and program levels.

**Task A. Examine the Process for Forecasting Cost Estimate at Completion (EAC) and Schedule at Completion (SAC)**

Key questions to be addressed in Task A include but are not limited to: 1) Does the EAC/SAC analysis of the *representative projects* suggest that these projects are on schedule and within the budget? 2) Does the EAC/SAC analysis suggest that the *overall* WSIP program is on schedule/budget? 3) What issues/actions, if any, should be addressed and/or put in place to improve the project/program method for forecasting completion budgets and schedules?

Contractor shall determine the *likelihood* that the represented projects and the overall WSIP will be on time and within budget when compared to the SFPUC's currently forecasted cost and

schedule at completion. Four (4) ratings will be required for each of the following: representative projects – cost, representative projects – schedule, overall WSIP – cost, and overall WSIP – schedule, using the following scale:

1. Highly Likely – the consultant believes there is a 90% or greater likelihood that the projects/program will be completed on time and within budget.
2. Very Likely – same as above except 80-90%
3. Somewhat Likely – same as above except 70-80%
4. Unlikely – same as above except below 70%

**Task B. Examine Remaining Delivery Costs\***

Key questions to be addressed in Task B include but are not limited to: 1) How reasonable are the SFPUC's forecasted delivery costs based on the size and complexity of the WSIP? 2) How do the SFPUC's forecasted delivery costs compare with delivery costs of already completed projects? 3) How do the SFPUC's delivery costs compare with industry standards or other comparable programs? 4) What recommendations can you make that enable the SFPUC to more accurately forecast delivery costs, help reduce these costs, and phase-out resources no longer necessary as the WSIP program nears completion?

*\*As defined by the SFPUC, delivery costs – often referred to as soft costs or non-construction related costs - include project and program management, planning, engineering, environmental review and permitting, construction management, engineering support during construction, and other City staffing costs such as real estate services, legal services, public outreach, operations support, etc.*

**III. Scope of Work by Task**

**Task A - EAC/SAC Review**

Five projects have been selected for the EAC/SAC analysis. These five projects represent different large water infrastructure projects. All are costly - as well as complex - and represent unique challenges.

1. Calaveras Dam Replacement-----\$416M
2. New Irvington Tunnel-----\$320M
3. BDPL Reliability Upgrade Tunnel-----\$307M
4. HTWP Long Term Improvements-----\$277M
5. Crystal Springs/San Andreas Transmission Upgrade----\$165M

Contractor will review the SFPUC's EAC/SAC analysis for the five projects in sufficient detail to thoroughly understand if project costs and schedule assumptions, inclusions, projections, and contingencies are reasonable, and if the projects can be delivered as indicated in the current WSIP forecast at completion based on the information know at the time of the analysis. (See Item 4 below.)

The scope of services for Task A will include but not be limited to those items listed below:

1. Follow the SFPUC's forecasting process from beginning to end for each project and assess the thoroughness and accuracy of the EACs/SACs generated as part of the process.
2. Review SFPUC cost estimating and cost forecasting methodology, assumptions, accuracy, and processes used to determine forecast final project *cost* at completion.
3. Review the SFPUC's schedule projection and forecasting methodology, assumptions, accuracy, and processes used to determine *schedule* at completion forecasts.
4. Using the ratings scale described under Main Objectives – Task A, determine the likelihood that the represented projects and overall WSIP program will be completed on time and within budget. The consultant must be able to provide the supporting information used to make the rating determination, which lays out the rationale, data, and method for each of the four (4) rating findings.
5. Spot check key approved change orders (CO's) to insure they were approved in accordance with SFPUC policies and are essential to the successful completion of the project. (Note: Consultants' proposals must describe their approach/method used in checking these COs (e.g., % of number of COs, % of dollar value.)
6. Spot check pending and potential CO's for both cost and time impacts to ensure that projections are realistic, thorough, and that assumptions for cost and schedule at completion are sound and within industry norms. (Note: Consultants' proposals must describe their approach/method used in checking these COs (e.g., % of number of COs, % of dollar value.)
7. Review project trend projections for both cost and time impacts to ensure that projections are realistic, thorough, and that assumptions for cost and schedule at completion are sound and within industry norms.
8. Confirm that all approved, pending, and potential CO's and trends are included in the SFPUC's project cost and time completion forecasts.
9. Review the project risk registers to determine if all reasonable risks are assessed and accounted for. Assess how best to bring greater visibility and clarity to the potential cost and schedule impacts that may result from WSIP's highest probability risks. Explain your rationale and analysis used to develop your opinion.
10. Review all project contingencies, both construction and non-construction, to determine if there will be sufficient contingencies to cover all costs for the projects at completion. Using the analysis of the 5 projects as a base, provide an opinion and the supporting rationale and data to extrapolate this information and determine the likelihood that the entire WSIP program can be completed within the current contingency funding, including the Program Management Reserve Fund.
11. Interview the prime contractor for each of the five projects to gain the contractors perspective on the current and projected status of the work and current and future cost and schedule challenges to ensure that all reasonable cost and schedule issues are addressed in the SFPUC's EAC/SAC forecasts. The SFPUC's project construction managers for each of the projects shall participate in the interviews between RBOC's consultant and the prime contractor. (Note: if the interviews are held at the construction site, the consultant will be responsible for adhering to all construction site safety



*protocols established by the contractor and the WSIP Program during visits to the site. The consultant will solely be responsible for safety training of their employees and their employees' safety on the sites.)*

12. Present a comprehensive written report to the RBOC giving the details and analysis leading to the consultant's findings and recommendations.
13. Provide specific actions that should be taken to provide more accurate EAC/SAC projections if findings indicate the need for revisions to the SFPUC current forecasting process.

#### **Task B – Review of Remaining Delivery Costs**

Once a program is in construction, project costs are to a great extent fixed through the awarded construction contracts. However, costs may vary in two areas – construction change orders and delivery costs (often referred to as soft costs). With WSIP construction activities projected to peak in the fall of 2012, the WSIP team will need to start ramping down some activities in early 2013. Task B involves assessing the projected delivery costs for the remainder of the program and verifying that those costs reflect the phasing out of resources as the WSIP program nears completion.

The scope of services for Task B will include but not be limited to the items listed below:

1. Examine the process by which the SFPUC controls and forecasts remaining delivery costs: a) Review all forecasted delivery costs remaining to complete the WSIP, including costs associated with program and project management, planning, engineering, environmental review and permitting, construction management, engineering support during construction, and other City staffing costs (e.g., real estate services, Water Enterprise operations support, legal services, etc.); b) Ensure that the definition of "remaining delivery costs" is fully understood so that comparisons with outside benchmarks or other programs can be assessed, if desirable. The analysis should include a review of all delivery cost forecasts (based on specific resource allocation projections of all key positions) and a review of how consultants and City staff are being transitioned out of the WSIP program.
2. Compare the SFPUC's forecasted delivery costs of active projects with the actual delivery costs to date for completed projects to allow for a project-level comparison of the delivery costs approved as part of the July 2011 Revised WSIP Program Budget.
3. Present a comprehensive written report to the RBOC giving details and analysis leading to the consultant's findings and recommendations.
4. Provide specific actions that should be taken to more accurately forecast or control delivery costs if findings indicate the need to do so.

#### **IV. Deliverables**

The consultant will provide the SFPUC and RBOC with a complete *preliminary draft* report. The SFPUC, RBOC and interested stakeholders will provide feedback on the consultant's

preliminary draft report for the consultant's consideration. Comments received on the preliminary draft and any subsequent responses made by the consultant shall be included in a *final draft* report presented to RBOC at a public meeting. The final draft report will be provided both electronically and in hard copy including all key backup information used to substantiate the consultant's findings/recommendations. Depending on the outcome of this meeting, RBOC may request the consultant to incorporate certain changes into a *final report*. See timeline below.

#### V. Tentative Timetable

<b>Oct 30:</b>	<b>Kick-off Meeting</b>
<b>Dec 17:</b>	<b>First oral progress report to RBOC</b>
<b>Jan 28:</b>	<b>Second oral progress report to RBOC</b>
<b>Feb 15:</b>	<b>Preliminary Draft Report to RBOC/SFPUC for review</b>
<b>Feb 27:</b>	<b>Questions/comments on draft report sent to consultant</b>
<b>Mar 14:</b>	<b>Final draft report delivered to RBOC for agenda packet</b>
<b>Mar 18:</b>	<b>Final Report discussed/accepted before RBOC</b>
<b>Mar 25:</b>	<b>Final Report Issued/Released</b>

#### VI. Task Orders

Performance of the service under this Agreement will be executed according to a task order process, and Contractor is required to provide adequate quality control processes and deliverables in conformance with the technical requirements of the task order. RBOC will initially identify tasks and request the contractor to propose a project scope, sub-tasks, staffing plan, schedule, deliverables, budget and costs to complete the task in accordance with Appendix B. All costs associated with the development of the scope of work shall be borne by Contractor. A final task order will be negotiated between RBOC and the Contractor. However, as provided in the RFQ, the budget, if applicable, identified for tasks is an estimate, and the City reserves the right to modify the applicable budget allocated to any task as more specific information concerning the task order scope becomes available.

The task order request will be processed for Controller certification of funding, after which a *Notice to Proceed* will be issued. The Contractor is hereby notified that work cannot commence until the Contractor receives a written Notice to Proceed in accordance with the San Francisco Administrative Code. *Any work performed without a Notice to Proceed will be at the Contractor's own commercial risk.* The calculations of costs and methods of compensation for all task orders under this Agreement shall be in accordance with Appendix B.

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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 Room  
San Francisco, CA 94102**

**Wednesday, December 19, 2012 - 9:30 AM**

**Special Meeting**

**1. Call to Order and Roll Call (00:00:00 - 00:00:45)**

Seat 1 Holly Kaufman  
Seat 2 Kevin Cheng, Chair  
Seat 3 Karen Donovan  
Seat 4 Larry Liederman  
Seat 5 Vacant  
Seat 6 Ian Hart  
Seat 7 John Ummel, Vice Chair

The meeting was called to order at 9:37 a.m. On the call of the roll Members Kaufman, Cheng, Donovan and Liederman were noted present.

Member Ummel participated via teleconference.

Member Hart was excused.

**2. Public Comment: (00:00:45 - 00:05:15)**

Kermit Kublitz expressed concerns that water leaks and the resulting cost escalations are inevitable. Mr. Kublitz urged the RBOC hold joint meetings with the Citizens General Obligation Bond Oversight committee to review earthquake preparedness and water supply issues.

**3. Chair's Report:**

A. San Francisco Public Utilities Commission (SFPUC) Staff Report: RBOC Account Statement. (00:05:15 - 00:06:35)

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

Public Comment: None

4. **Update: Progress of RBOC Evaluation of WSIP by RW Block Consulting, Inc., (CS-254).** (00:06:35 - 00:22:00)

Roy Block (RW Block Consulting, Inc.) provided an update on the progress of the WSIP evaluation.

Cost escalation for WSIP was of major concern to the RBOC.

Public Comment: None.

5. **RBOC Meeting Schedule for 2013.**

The RBOC members discussed and set the meeting scheduled for 2013. A joint outreach meeting with the Citizens Advisory Commission was suggested. The RBOC will research potential date for an outreach meeting.

Public Comment: None.

6. **Approval of RBOC Minutes of November 19, 2012.**

Member Liederman, seconded by Member Kaufman, moved to approve the RBOC November 19, 2012, Meeting Minutes as amended.

The motion passed by the following vote:

Ayes: Kaufman, Cheng, Donovan, Liederman, Hart, and Ummel (via teleconference).

Noes: None.

Absent: Hart.

Public Comment. None.

Discussion of the process for Public Comment occurred. Mr. Young stated that members of the public are allowed submitted written comment of 150 words or less for inclusion into the minutes. The clerk will now note both verbally and in writing that written public comment is allowed and will be included in the minutes.

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

Potential applicant to the RBOC can submit resumes to the Clerk of the RBOC which will be forwarded to the Controller.

A standing item for invoice approval will be added to all future RBOC agendas.

Members of the RBOC are requested to develop possible topics for 2013 for review.

The SFPUC is working to add Biography and terms to the website.

Charles Perl (SFPUC); and Mark Blake (City Attorney's Office); provided information and responded to questions raised throughout the discussion.

8. **Adjournment.**

The meeting adjourn at 10:33 a.m.

**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 document, please contact RBOC Committee 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](http://sanfrancisco.granicus.com/ViewPublisher.php?view_id=97)

For information concerning San Francisco Public Utilities Commission please contact by e-mail [bondoversight@sfwater.org](mailto:bondoversight@sfwater.org) or by calling (415) 487-5245.

**Public Comment**

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.

**Disability Access**

RBOC meetings will be held at the Public Utilities Commission, 525 Golden Gate Avenue, San Francisco, CA. The Committee meeting room is wheelchair accessible. The nearest accessible BART station is Civic Center (Market/Grove/Hyde Streets). Accessible MUNI Metro lines are the F, J, K, L, M, N, T (exit at Civic Center or Van Ness Stations). MUNI bus lines also serving the area are the 5, 6, 9, 19, 21, 47, 49, 71, and 71L. For more information about MUNI accessible services, call (415) 701-4485.

The following services are available on request 48 hours prior to the meeting; except for Monday meetings, for which the deadline shall be 4:00 p.m. of the last business day of the preceding week: For American sign language interpreters or the use of a reader during a meeting, a sound enhancement system, and/or alternative formats of the agenda and minutes, please contact Mike Brown at (415) 487-5223 to make arrangements for the accommodation. Late requests will be honored, if possible.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City accommodate these individuals.

**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 (Chapter 67 of the San Francisco Administrative Code) 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 [sof@sfgov.org](mailto:sof@sfgov.org).

Citizens may obtain a free copy of the Sunshine Ordinance by printing Chapter 37 of the San Francisco Administrative Code on the Internet , at <http://www.sfbos.org/sunshine>.

**Cell Phones, Pagers and Similar Sound-Producing Electronic Devices**

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.

**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 §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; web site [www.sfgov.org/ethics](http://www.sfgov.org/ethics).