



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

**Public Utilities Commission Building, 4th Floor Conference Room
1155 Market Street (between 7th & 8th Streets)
San Francisco, CA 94103**

**October 24, 2011 - 9:30 AM
Regular Meeting**

Members: Aimee Brown (Chair), Kevin Cheng (Vice-Chair),
Brian Browne, Ian Hart, Larry Liederman, and John Ummel

1. Call to Order and Roll Call (9:35a.m. - 9:36 a.m.)

The meeting was called to order at 9:35 a.m. On the call of the roll, all members were noted present.

2. Public Comment (9:36 a.m.)

There was no general public comment.

3. Chairs Report

a. City Services Auditor (CSA) Report: Audit Update (9:55 a.m. – 10:10 a.m.)

Tonia Lediju (Controller- CSA) provided an update of the City Services Auditor Report and responded to questions raised throughout the discussion.

Charles Perl (SFPUC); Irella Blackwell (Controller – CSA); provided information and responded to questions raised throughout the discussion.

Public Comment: Nancy Wuerfel clarified that the draft CSA report would be released by the RBOC to the public when scheduled for hearing.

No action was taken.

b. Construction Management Independent Review Panel: Preliminary Report of findings concerning the Waster System Improvement Program (WSIP) (10:10 a.m. – 10:55 a.m.)

Gary Griggs, Chair, Independent Review Panel (IRP), provided a preliminary report of findings concerning the IRP review of the Water System Improvement Program and responded to questions raised throughout the discussion.

Public Comment: Nancy Wuerfel requested that the IRP report reference industry standards used.

No action was taken.

Member Browne was noted absent at 10:25 a.m. and present at 10:35 a.m.

c. San Francisco Public Utilities Commission (SFPUC) Staff Report: Water System Improvement Program (WSIP) Construction Management. (9:36 a.m. – 9:55 a.m.)

Jeet Bajwa (SFPUC) provided an overview of WSIP Construction Management and responded to questions raised throughout the discussion.

Member Browne requested an account of the actual WSIP funds already spent.

Public Comment: Nancy Wuerfel requested information about why funds are being drawn out of WSIP and into CIP.

No action was taken.

Chair Brown was noted absent at 10:53 a.m. and present at 10:55 a.m.

d. Update on the RBOC account with the City Controller's Office (10:55 a.m. – 11:33 a.m.)

Charles Perl and Mike Brown (SFPUC) provided an update on the RBOC account with the City Controller's Office and responded to questions raised throughout the discussion.

The RBOC requested that a monthly report on the RBOC account be provided.

Member Browne requested that his statement be included into the record as follows: I am extremely uncomfortable, I do not believe that the law has been honored, I believe the law must be honored, there must be accounting.

Public Comment: Nancy Wuerfel stated that she still does not consider the RBOC account a separate fund and disagrees with the Controller's assessment.

Member Hart, seconded by Member Cheng, moved to accept the October 21, 2011, letter from the Controller and email from Deputy City Attorney Mark Blake and their findings/analysis of Proposition P concerning the RBOC account.

The motion passed by the follow vote:

Ayes - Brown, Cheng, Hart, Liederman, Ummel
Noes - Browne

4. Payment of Invoice No. RBOC_3 Oct 2011 for work performed by Ibbs Consulting Group Inc. per Contract/Agreement No. CS-212i. (11:33 a.m. – 11:37 a.m.)

Chair Brown summarized the invoice and answered and responded to questions raised throughout the discussion.

Public Comment: None.

Member Ummel, seconded by Member Hart, moved to approved the invoice (RBOC_3 Oct 2011) and authorize the SFPUC to provide payment.

The motion passed by the following vote:

Ayes - Brown, Cheng, Hart, Liederman, Ummel

Noes - Browne

5. RBOC reimbursement to the SFPUC for the services of the Independent Review Panel.

(11:37 a.m. – 11:40 a.m.)

Chair Brown summarized the subject of the reimbursement to the SFPUC for services of the Independent Review Panel (IRP) and answered and responded to questions raised throughout the discussion.

It was requested that the Contracting Working Group work with the IRP to provide a justification of fees.

Public Comment: Nancy Wuerfel asked if the Independent Review Panel was available for hire by the SFPUC and the RBOC in the future.

No action was taken.

Member Browne was noted absent at 11:40 a.m.

6. Extension of the sunset date of the Revenue Bond Oversight Committee.

(11:40 a.m. – 11:48 a.m.)

Chair Brown provided a summary of the draft ordinance to extend the sunset date of the RBOC.

Charles Perl (SFPUC); provided information and responded to questions raised throughout the discussion.

Public Comment: Nancy Wuerfel asked questions concerning the funding of the RBOC clerk. Funds for the RBOC clerk are currently set aside by the SFPUC. Ms. Wuerfel believes that funding for the RBOC clerk should be funded through the annual budgeting process.

Member Cheng, seconded by Member Leiderman, moved to approve the form of the proposed Ordinance to extend the sunset date of the RBOC as close as possible to January 1, 2017. The Chair is authorized and directed to do all things necessary to have the Ordinance considered by the Board at the earliest practical date.

The motion passed by the follow vote:

Ayes - Brown, Cheng, Hart, Liederman, Ummel

Absent - Browne

7. Approval of the RBOC minutes for the meeting of September 19, 2011. (11:48 a.m. - 11:52 a.m.)

Member Ummel, seconded by Member Hart, moved to approve the RBOC minutes for the meeting of September 19, 2011.

Public Comment: None.

The motion passed by the follow vote:

Ayes - Brown, Cheng, Hart, Liederman, Ummel

Absent - Browne

8. RBOC Member Information Requests

No action taken.

9. Future Agenda Items

Members discussed possible future agenda items as follows:

- RBOC Account Report
- RBOC Meeting Schedule
- Power Enterprise Bonds – Financing Report – City Services Auditor
- Report – Independent Review Panel
- SFPUC- Quarterly Report

Public Comment: Nancy Wuerfel requested that the City Services Auditor be made available to the public when scheduled.

10. Adjournment

There being no further business, the Committee adjourned at the hour of 12:15 p.m.