

MINUTES

Public Utilities Revenue Bond Oversight Committee

Tuesday, January 19, 2010

San Francisco Public Utilities Commission

1155 Market Street (between 7th & 8th Streets), 11th Floor Conference Room

Committee Members

Aimee Brown, Chair

Kyle Rhorer, Vice Chair

Brian Browne

Nathan Cruz

David Sutter

Patrick Sweetland

1. Call to Order and Roll Call

Chair Brown called the meeting to order at 9:35 a.m. and roll call was taken.

Present: Aimee Brown, Brian Browne, Nathan Cruz, Kyle Rhorer,
Patrick Sweetland, and David Sutter.

Absent: None.

There was a quorum.

2. Public Comment: Members of the public may address the RBOC on matters that are within the RBOC's jurisdiction but are not on today's agenda.

Public Comment. Speaker: None.

3. Chair's Report

a. Update from SFPUC Staff concerning the Wastewater Capital Improvement Program.

Manfred Wong, Program Manager, Karen Cubic, Charles Perl, CFO, and Todd Rydstrom, Assistant General Manager, SFPUC, presented an update on Wastewater CIP.

Other Speaker: Mark Blake, Deputy City Attorney.

Public Comment. Speaker: None.

b. Update from SFPUC staff concerning the Water System Improvement Program (WSIP).

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49 Jeet Bajwa, PMB Bureau Manager, SFPUC, presented an update on the
50 Water System Improvement Program.

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52 Public Comment. Speaker: None.

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54 **c. Update from SFPUC staff concerning usage of pre-established**
55 **pools of contractors.**

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57 Charles Perl, CFO, SFPUC, presented an update on the pre-
58 established pool of contractors maintained by the Controller's
59 Office.

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61 Public Comment. Speaker: None.

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63 **d. Update from SFPUC staff concerning a response to the Robert**
64 **Kuo LLC report (CS-983) and possible implementation of**
65 **suggestions.**

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67 Todd Rydstrom, Assistant General Manager, Charles Perl, CFO, and Jeet
68 Bajwa, PMB Bureau Manager, SFPUC, presented SFPUC's response to
69 the Robert Kuo LLC report and recommendation (CS-983).

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71 At the request of Member Browne, the following summary is
72 provided:

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74 Todd Rydstrom, Assistant General Manager, stated that the
75 oversight of the SFPUC is welcome. When the SFPUC prepares to
76 sell bonds, the outside review really matters. The rating agencies
77 value these types of reviews.

78
79 Member Browne stated that the Robert Kuo LLC contract (CS-983)
80 was anything but an independent review. It highlights the fact that
81 we must be cautious in order to avoid the same problems in the
82 future. How can we be independent when the SFPUC is
83 administering the contract for an independent committee (RBOC).
84 The RBOC should perform outreach, have televised meetings, and
85 other such issues. We need to address these issues in the coming
86 year. All of this is stated in Proposition P.

87
88 Public Comment. Speaker: None.

94 **4. Discussion and possible action relating to the 2009 Draft Annual**
95 **Report from the RBOC to the Board of Supervisors, Mayor and the**
96 **San Francisco Public Utilities Commission.**
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98 Chair Brown presented the report to the RBOC. Discussion occurred
99 concerning the content of the report and amendments to the report were
100 accepted.
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102 Member Sutter moved, seconded by Member Sweetland, to approve the
103 RBOC 2009 Annual Report as amended.
104

105 The motion passed by the following vote:

106 Ayes: Brown, Rhorer, Cruz, Sutter, and Sweetland.

107 Noes: Browne.
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109 Public Comment. Speaker: None.
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111 **5. Discussion and possible action relating to election of RBOC officers.**
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113 Chair Brown began discussion concerning the election of the 2010 RBOC
114 officers.
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116 Member Sweetland moved, seconded by Member Sutter, to nominate and
117 appoint Member Kyle Rhorer as the Chair of the RBOC.
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119 Member Sweetland withdrew the nomination of Member Rhorer.
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121 Member Rhorer moved, seconded by Member Sweetland, to nominate
122 and appoint Member Aimee Brown as the Chair of the RBOC.
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124 The motion passed by the following vote:

125 Ayes: Brown, Rhorer, Cruz, Sutter, and Sweetland.

126 Noes: Browne.
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128 Member Sutter moved, seconded by Member Sweetland, to nominate and
129 appoint Member Kyle Rhorer as Vice-Chair of the RBOC.
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131 The motion passed by the following vote:

132 Ayes: Brown, Rhorer, Cruz, Sutter, and Sweetland.

133 Noes: Browne.
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135 Public Comment. Speaker: None.
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137 **6. Discussion and possible action relating to the RBOC Work Scope**
138 **and Topics for 2010.**
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Chair Brown requested that members of the RBOC e-mail suggestions to the clerk of the RBOC for discussion at the next RBOC meeting.

Continued to February 8, 2010.

Public Comment. Speaker: None.

7. Discussion and possible action regarding the approval of the minutes from the RBOC meetings held on November 16, 2009 and December 14, 2009.

Member Sweetland moved, seconded by Member Sutter, to approve the RBOC minutes of November 16, 2009.

The motion passed by the following vote:

Ayes: Brown, Rhorer, Sutter, and Sweetland.

Excused: Browne.

Abstained: Cruz

Member Sweetland moved, seconded by Member Sutter, to approve the RBOC minutes, as amended, of December 14, 2009.

The motion passed by the following vote:

Ayes: Brown, Rhorer, Sutter, and Sweetland.

Excused: Browne.

Abstained: Cruz

8. Public Comment: Members of the public may address the RBOC on matters that are within the RBOC's jurisdiction but are not on today's agenda.

Public Comment: Speaker: None.

9. Discussion and possible action relating to RBOC member's information requests raised at today's meeting.

No items listed.

10. Discussion and possible action for future agenda items.

Report from SFPUC staff concerning the results of the WSIP Independent Review Panel's findings concerning: (1) the program's overall delivery performance to date, and (2) the SFPUC's ability and readiness to tackle the extensive construction workload to take place in the next five years.

RBOC subcommittee assignments.

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Future contracting processes.

Quarterly Bond Sale. (Wasterwater in February and WSIP in March).

WSIP Financing Update

11. Adjournment

The meeting adjourned at the hour of 11:31 a.m.

The RBOC minutes for January 19, 2010 was approved by the RBOC on
February 8, 2010.