



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

Public Utilities Commission Building
525 Golden Gate Ave., 4th Floor, San Joaquin Conference Room
San Francisco, CA 94102

April 14, 2014 - 9:00 AM

Regular Meeting

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

Seat 1 Holly Kaufman
Seat 2 Kevin Cheng, Chair (Holdover status)
Seat 3 Vacant
Seat 4 Marina Pelosi
Seat 5 Eric Sandler
Seat 6 Chris Godwin
Seat 7 John Ummel, Vice Chair (Holdover status)

2. **Agenda Changes**

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. (No Action)

4. **Status Report of Contract CS-363, "Construction Management Services – Lessons Learned" by RW Block Consultants** (Discussion and Action)

5. **San Francisco Public Utilities Commission (SFPUC) Staff Report:** Summary of Audits by City Services Auditor Relevant to Water System Improvement Program (WSIP) and Sewer System Improvement Project (SSIP) - April 1, 2014 (Attachment) (Discussion)

6. **San Francisco Public Utilities Commission (SFPUC) Staff Report:** Impact of a Completed Water System Improvement Program (WSIP), Ongoing Operating Costs (Discussion)

7. **San Francisco Public Utilities Commission (SFPUC) Staff Report:** Sewer System Improvement Program (SSIP) Quarterly Update (Discussion)

8. **Election of Officers for the RBOC - 2014** (Discussion and Action)
9. **RBOC Bylaws and 2013 Annual Report** (Discussion and Action)
10. **Approval of RBOC Minutes of March 10, 2014** (Attachment) (Discussion and Action)
11. **Announcements, Comments, Questions, and Future Agenda Items**
12. **Adjournment**

Agenda Item Information

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**SAN FRANCISCO WATER POWER SEWER
SUMMARY OF AUDITS RELEVANT TO WSIP AND SSIP**
For RBOC, Timeline FY 2002 to April 2014

Fiscal Year	Audit Report Date	Audit Name	RBOC Sponsored	Auditor	URL (Click)
2006	7/17/2006	Review of Water System Improvement Program Expenditures Under PUC's Commercial Paper Proram	Y	Robert Kuo Consulting LLC & Lawrence Doyle	Click Here
2007	11/21/2007	Financial Review of Aspects of the Water System Improvement Program	Y	Robert Kuo Consulting LLC & Lawrence Doyle, Shannon Gaffney Consulting, & EPC Consultants Inc.	Click Here
2009	12/10/2009	Review of the Sunset Reservoir - North Basin Project	Y	Robert Kuo Consulting LLC, RW Block Consulting, Lawrence Doyle	Click Here
2011	11/22/2011	Expenditures of the Mission and Mount Vernon Street Sewer Improvement Project Appear Reasonable	Y	Office of the Controller, City Services Auditor	Click Here
2011	11/22/2011	Expenditures of the Bay Division Pipeline Reliability Upgrade Pipeline Project Appear Reasonable	Y	Office of the Controller, City Services Auditor	Click Here
2012	12/28/2011	Review of the Independent Review Panel's Final Report dated December 28, 2011 - Concerning the WSIP	Y	Professor William Ibbs	Click Here
2011	1/19/2012	Independent Review of Water System Improvement Project Construction Management Program	Y	Gary Griggs, Panel Chair; and Panel Members: Glenn Singley, Don Russell and Galyn Rippentrop	Click Here
2012	1/27/2012	WSIP Construction Contract Audit: Tesla Water Treatment Facility & East/West Transmission Main Projects	Y	Office of the Controller, City Services Auditor	Click Here
2012	2/13/2012	Expenditures of the Lake Merced Pump Station Essential Upgrade Project Are in Accordance with Bond Resolutions; However SFPUC Should Improve Its Recognition of Costs	Y	Office of the Controller, City Services Auditor	Click Here
2012	2/13/2012	The Department Appropriately Categorized Program Management Costs, but Should Improve Its Method of Allocating Those Costs to Projects	Y	Office of the Controller, City Services Auditor	Click Here
2013	12/5/2012	WSIP Audit Follow UP: Tesla Water Treatment Facility & East/West Transmission Main	N	Office of the Controller, City Services Auditor	Click Here

Fiscal Year	Audit Report Date	Audit Name	RBOC Sponsored	Auditor	URL (Click)
2013	1/8/2013	WSIP Construction Contract Close-out: Bay Division Pipelines 3 & 4 Crossovers	N	Office of the Controller, City Services Auditor	Click Here
2013	4/9/2013	SFPUC: Alameda Siphon No. 4 Construction Management — The Change Management Process Generally Complied With Contract Provisions but Requires Some Improvements	N	Office of the Controller, City Services Auditor	Click Here
2013	5/9/2013	Evaluation of the Water System Improvement Program (CS-254) Task A: Estimate at Completion (EAC) and Schedule at Completion (SAC) Analysis Task B: Evaluate WSIP delivery costs (soft or non-construction costs), including project, program and construction management costs, planning, engineering, and environmental review/permitting.	Y	RW Block Consulting	Click Here
2013	5/13/2013	WSIP Construction Contract Close-Out: HTWTP – Short-Term Improvements (Project No. CUW36603; NTK Construction Inc.).	N	Office of the Controller, City Services Auditor	Click Here
2014	In Progress	Construction Contractor Performance Evaluations (Citywide Review)	N	Office of the Controller, City Services Auditor	
2014	In Progress	WSIP Construction Contract, Change Order Review: Sunol Valley Water Treatment Plant	N	Office of the Controller, City Services Auditor	
2014	In Progress	Evaluation of Lessons Learned from WSIP, and Applied to SSIP	Y	RW Block Consulting	
	Upcoming	WSIP Construction Contract, Change Order Review: (Project Not Yet Selected)	N	Office of the Controller, City Services Auditor	
	Upcoming	WSIP: Consultant/Contractor Multiple Billing & Other Issues Review	N	Office of the Controller, City Services Auditor	



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

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

March 10, 2014 - 9:00 AM

Regular Meeting

1. Call to Order and Roll Call

Seat 1 Holly Kaufman
Seat 2 Kevin Cheng, Chair (Holdover status)
Seat 3 Vacant
Seat 4 Marina Pelosi
Seat 5 Eric Sandler
Seat 6 Chris Godwin
Seat 7 John Ummel, Vice Chair (Holdover status)

The meeting was called to order at 9:05 a.m. On the call of the roll, Members Cheng and Pelosi were noted absent; all other members were noted present. There was a quorum.

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 are not on today's agenda.

Public Comment: There was none.

3. Contract for CS-363, "Construction Management Services – Lessons Learned" to RW Block Consultants

Member Ummel, Chair of the Contracting Working Group, updated the Committee on the well-attended kick-off, held Thursday, March 6, 2014, and further added that the consultant is planning to hold site visits starting the week of March 17, 2014.

Public Comment: There was none.

No action was taken.

4. **Chair's Report:**

- A. San Francisco Public Utilities Commission (SFPUC) Staff Report: Construction Management Update (Discussion)

Alan Johanson, Deputy Director of Construction, Water System Improvement Program (SFPUC); Mark Blake (City Attorney's Office); presented information concerning the matter and answered questions raised during the hearing.

Public Comment: There was none.

- B. San Francisco Public Utilities Commission (SFPUC) Staff Report: Q2 Update on WSIP-related Performance Audits by City Services Auditor

Nancy Hom, Director, Assurance & Internal Controls (SFPUC); presented information concerning the matter and answered questions raised during the hearing. Member Sandler requested a list of audits pertaining to the RBOC.

Public Comment: There was none.

5. **Election of Officers for the RBOC - 2014**

The Committee, by unanimous consent, moved to continue this item to next RBOC meeting, to allow for all members to be present.

Public Comment: There was none.

The motion passed without objection.

6. **RBOC Bylaws**

Mark Blake (City Attorney's Office); Mike Brown (SFPUC); Charles Perl, Deputy Chief Financial Officer (SFPUC); presented information concerning the matter. Mr. Blake suggested forming a working group to focus on the annual report rather than amending the report due date.

Public Comment: There was none.

The item was continued to the call of the chair by unanimous consent.

7. **Approval of RBOC Minutes of February 18, 2014.**

Member Godwin, seconded by Member Kaufman, moved to adopt the RBOC February 18, 2014, meeting minutes.

Public Comment: There was none.

The motion passed without objection.

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

Election of Officers is continued to the RBOC April 14, 2014, meeting.

Mike Brown (SFPUC) notified the Committee that a discussion by Dave Briggs on O&M is forthcoming.

Member Ummel notified the Committee that another update on the RW Block assignment is forthcoming.

RBOC meeting and Southeast Facility site visit is tentatively scheduled for May 12, 2014.

Public Comment: There was none.

9. **Adjournment.**

The meeting adjourned at 10:02 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.

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