

Public Utilities Revenue Bond Oversight Committee Contracting Working Group

Minutes

Wednesday, November 17, 2010
9:00 a.m. - 12:00 p.m.
1155 Market Street (between 7th & 8th Streets)
8th Floor Conference Rooms A & B

Note: Each item on the Regular Agenda may include explanatory documents, including reports and public correspondence. These items are available for review at City Hall, Room 244, Reception Desk.

Contracting Working Group Members

Kyle Rhorer, Chair
Brian Browne
David Sutter

REGULAR AGENDA

The meeting location was moved to 1155 Market Street (between 7th & 8th Streets) 8th Floor Conference Rooms A & B.

1. Call to Order and Roll Call

Chair Kyle Rhorer called the meeting to order at 9:15 a.m. and roll call was taken:

Present: Kyle Rhorer, Brian Browne, and David Sutter.
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 concerning the UC Berkeley and UCLA Joint proposal to develop a Request for Proposal (RFP) concerning the

Revenue Bond Oversight Committee (RBOC) and Water System Improvement Program (WSIP)

Chair Rhorer introduced the following representatives from UC Berkeley:

- John Dracup Professor of Harvard School of Engineering, Chair of Civil and Environmental Engineering, UC Berkeley;
- Bill Ibbs, Professor of Construction Management, Department of Civil & Environmental Engineering, UC Berkeley;
- Michael Hanemann, Professor of Resource Economics & Policy, UC Berkeley & Arizona State University;
- Joseph Milbury, Graduate Student, Department of Agriculture and Resource Economics and Policy; UC Berkeley;
- John Erickson, Masters Student, Goldman School of Public Policy, UC Berkeley.

Chair Rhorer provided a re-cap of the previous discussion of the UC Berkeley and UCLA Joint proposal. The Contracting Working Group discussed how academic institutions could provide support to the Revenue Bond Oversight Committee, whose charter is to ensure that bond proceeds are being appropriately spent for the large capital program that's currently underway.

Member Sutter raised questions regarding the sole source procurement effort. Member Sutter provided the names of the consultants that have been hired to conduct an independent review of the construction management program, citing that the UC Berkeley representatives would be asked to provide a unique independent oversight effort, adding value to the efforts currently in place with the following consultants:

- Glen Singley, Director of Water, Engineering & Technical Services for Los Angeles;
- Gary Griggs, Past Chairman of Parsons Brinkerhoff, and current professor at Stanford University;
- Donald Russell, Co-Founder and Director of Veneer Construction Management, Inc.;
- Gaylin Ribinoff, President and Chief Executive Officer of Frontier Temple Construction

Mr. Ibbs provided a brief overview of his background, knowledge, experience and professional instruction in the field of construction management. Mr. Ibbs provided further analysis and information relative to the joint proposal to develop a RFP concerning the Revenue Bond Oversight Committee (RBOC) and Water System Improvement Program (WSIP). Mr. Ibbs indicated that he belongs to a professional organization called the Construction Industry Institute, which could provide the Contracting Working Group with some of the following options:

- Reliability of estimates, schedules, etc.,
- Engage in benchmarking on how the WSIP is doing programmatically;
- Review industries and trends with projections

Member Sutter offered comments regarding risk predictability. Mr. Hanemann offered examples of risk aversion and how it could be avoided.

Chair Rhorer stated that the WSIP Program has been approved and is moving forward. Below are some of the topics discussed in achieving the goal of developing a Request for Proposal:

Benchmarks/Objectives discussed:

- Quantifying Risk/Risk Mechanisms
- Comparable Projects
- Quantitative Analysis
- Overview of Budget Schedules
- Alternative Project Delivery

Mr. Ibbs raised questions regarding cost, schedule and scope, inquiring if these options were available with the Public Utilities Commission.

Chair Rhorer stated that the RBOC would draft a general scope of work based on the current discussion and bring it before the full Revenue Bond and Oversight Committee to determine how to enter into contract with UC Berkeley.

4. Discussion and Possible Action related to the approval of draft minutes for the August 31, 2010, meeting of the RBOC Contracting Working Group.

The motion passed by the following vote:

Ayes: Member Browne and Member Sutter.
Noes: None.

5. Adjournment

The meeting was adjourned at 10:50 a.m. by Chair Rhorer without objection.

**The Contracting Working Group was dissolved. The minutes for November 17, 2010, could not be approved.

For information concerning agendas, minutes and meeting information
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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