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, November 19, 2012 - 9:30 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: Water System Improvement Program Update (WSIP). (Discussion) (Attachment)

   B. San Francisco Public Utilities Commission (SFPUC) Staff Report: WSIP Bioregional Habitat Restoration Update. (Discussion)

   C. San Francisco Public Utilities Commission (SFPUC) Staff Report: City Services Auditor (CSA) Annual Audit Plan concerning the SFPUC. (Discussion)

   D. San Francisco Public Utilities Commission (SFPUC) Staff Report: Update on Wastewater Revenue Bonds. (Discussion)

   E. San Francisco Public Utilities Commission (SFPUC) Staff Report: RBOC Account Statement. (Discussion) (Attachment)

5. **RBOC Meeting Schedule for 2013.** (Discussion and Action) (Attachment)

6. **Approval of RBOC Minutes of October 1, 2012.** (Discussion and Action) (Attachment)

7. **RBOC Member Information Requests Raised at Today’s Meeting and Future Agenda Items.** (Discussion and Action)

8. **Adjournment.**
   
   Future Meeting Dates:
   December 17, 2012
Agenda Item Information

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Infrastructure

Julie Labonte, WISI Director

November 19, 2012

Revenue Bond Oversight Committee

WISIP Quarterly Update

FY 2012 - 2013

Services of the San Francisco Public Utilities Commission
As of September 29, 2012

Program Status
NOTE: Variances are from the current approved program cost and schedule.

<table>
<thead>
<tr>
<th>Local Program</th>
<th>Regional Program</th>
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</thead>
<tbody>
<tr>
<td>2.3</td>
<td>2.3</td>
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<tr>
<td>25.0</td>
<td>0</td>
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Schedule (in Months)

<table>
<thead>
<tr>
<th>Cost (in Millions)</th>
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<tbody>
<tr>
<td>$-21.8</td>
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<tr>
<td>$150.6</td>
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<tr>
<td>$11.9</td>
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Program Variances
Program Cost Trend
<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Forecasted Remaining PWR Balance</th>
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<tbody>
<tr>
<td>FY 2013</td>
<td>$111.0M</td>
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<tr>
<td></td>
<td>Forecasted Use of PWR</td>
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<tr>
<td></td>
<td>$27.36M</td>
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<td></td>
<td>Approved Changes to PWR on 10/24/2012</td>
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<td></td>
<td>$0.41M</td>
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<td></td>
<td>Approved Changes to PWR on 08/14/2012</td>
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<td>$16.97M</td>
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<td>Approved Changes to PWR on 11/2/2012</td>
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<td>$16.43M</td>
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<td>Approved Changes to PWR on 11/2/2012</td>
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<td>Program Management Reserve</td>
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Crystal Springs Pipeline No. 2 Replacement Progress Toward Substantial Completion:
San Joaquin Pipeline System—Eastern Segment:
  Acceleration:
  • BDP L NOS. 3 & 4 Crossovers Substantial Completion:
  • Seismic Upgrade of BDP L NOS. 3 & 4 Notice to Proceed:
San Antonio Backup Pipeline:
  Advertisement:

Accomplishments
Progress on Tunnels

Bay Tunnel

New Irvington Tunnel
Schematic Cross-Section of Observation Hill

View looking Downstream
<table>
<thead>
<tr>
<th>Site Capacity (CY)</th>
<th>New Disposal Capacity</th>
<th>Total 3,685,000</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td>960,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>200,000</td>
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<tr>
<td></td>
<td>G (b)</td>
<td>500,000</td>
</tr>
<tr>
<td></td>
<td>G (a)</td>
<td>400,000</td>
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<tr>
<td></td>
<td>F</td>
<td>450,000</td>
</tr>
<tr>
<td></td>
<td>D</td>
<td>815,000</td>
</tr>
<tr>
<td></td>
<td>A</td>
<td>360,000</td>
</tr>
</tbody>
</table>

**Additional Disposal Material**

Reconstituted Water Level

Calaveras Reservoir

Existing Dam

Calaveras

DS-3

DS-10
in revised project budget

Construction contingency will need to be restored

- DSO fees ($755K)
- Environmental mitigation ($6.5M)
- Additional resources ($33.2M)

Soft costs: $40.4M
Hard costs: $92.5M
Forecasted cost increase: $132.9M
Forecasted schedule delay: 25 months

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Time and Cost Impacts
Weather delays
Quality of on-site material
Changes by California Division of Safety of Dams (DSOD)
High levels of Naturally Occurring Asbestos (NOA)
Over excavation of foundation
Subsurface grousing

6 of WSSIP's top 10 risks
Project completion to date: 28%
Next Steps

- Notice of Change to the State in February 2013
- Commission approval for revised project budget in January 2013
- Approvals for key disposal sites by January 2013
- Negotiation with Contractor in December 2012
- Formal cost proposal from Contractor by end of November 2012
From the American Public Works Association

Exceptional Performance Award in Safety
### RBOC Account Summary
#### November 2012

<table>
<thead>
<tr>
<th>Funding Sources ($)</th>
<th>SW Water</th>
<th>SC Wastewater</th>
<th>ST Hetchy Power</th>
<th>Total</th>
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<tbody>
<tr>
<td><strong>Series</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2006 A Bonds</td>
<td>253,063</td>
<td>-</td>
<td>-</td>
<td>253,063</td>
</tr>
<tr>
<td>2008 CREBS</td>
<td>-</td>
<td>-</td>
<td>3,163</td>
<td>3,163</td>
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<tr>
<td>2009 A Bonds</td>
<td>206,000</td>
<td>-</td>
<td>-</td>
<td>206,000</td>
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<tr>
<td>2009 B Bonds</td>
<td>206,000</td>
<td>-</td>
<td>-</td>
<td>206,000</td>
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<tr>
<td>2010 A Bonds</td>
<td>28,473</td>
<td>23,525</td>
<td>-</td>
<td>51,998</td>
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<tr>
<td>2010 B Bonds</td>
<td>208,860</td>
<td>96,258</td>
<td>-</td>
<td>305,118</td>
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<td>2010 D Bonds</td>
<td>35,880</td>
<td>-</td>
<td>-</td>
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<tr>
<td>2010 E Bonds</td>
<td>172,150</td>
<td>-</td>
<td>-</td>
<td>172,150</td>
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<tr>
<td>2010 F Bonds</td>
<td>90,480</td>
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<td>2010 G Bonds</td>
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<td>-</td>
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<td>2011 A Bonds</td>
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<tr>
<td>2011 B Bonds</td>
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<td>-</td>
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<tr>
<td>2011 C Bonds</td>
<td>16,798</td>
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<td>-</td>
<td>16,798</td>
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<tr>
<td>2011 QECBS</td>
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<td>-</td>
<td>4,150</td>
<td>4,150</td>
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<tr>
<td>2012 NCREBs</td>
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<td>-</td>
<td>3,300</td>
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<tr>
<td>2012A Bonds</td>
<td>295,805</td>
<td>-</td>
<td>-</td>
<td>295,805</td>
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<tr>
<td>2012B Bonds</td>
<td>8,360</td>
<td></td>
<td>-</td>
<td>8,360</td>
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<tr>
<td><strong>A</strong> Subtotal Sources - All</td>
<td>2,013,098</td>
<td>119,783</td>
<td>10,613</td>
<td>2,143,493</td>
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<table>
<thead>
<tr>
<th>Charges Against Budget ($)</th>
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<tr>
<td><strong>Actual Charges</strong></td>
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<td></td>
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<tr>
<td>WSIP Expenditures &amp; CP (2006)</td>
<td>59,370</td>
<td>-</td>
<td>-</td>
<td>59,370</td>
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<tr>
<td>WSIP Sunset Reservoir (2009)</td>
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<td>-</td>
<td>71,800</td>
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<td>CSA Controller’s Audit (2011/2012)</td>
<td>86,219</td>
<td>29,750</td>
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<td>115,969</td>
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<td>Independent Review Panel (IRP) (2011/2012)</td>
<td>116,010</td>
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<td>-</td>
<td>116,010</td>
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<td>LADWP for IRP (2011/2012)</td>
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<td>-</td>
<td>11,489</td>
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<tr>
<td>IBB Consulting for IRP (2011/2012)</td>
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<td>-</td>
<td>29,370</td>
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<tr>
<td>CSA Audit - Final Bill C3 12</td>
<td>29,625</td>
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<td>-</td>
<td>29,625</td>
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<td>IBB Consulting for IRP (2011/2012)</td>
<td>7,630</td>
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<td>-</td>
<td>7,630</td>
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<td><strong>B</strong> Subtotal Actual Charges</td>
<td>513,654</td>
<td>29,750</td>
<td>-</td>
<td>543,403</td>
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</table>

| A - B Available Funds Before Pending Charges | 1,499,444 | 90,033 | 10,613 | 1,600,090 |

<table>
<thead>
<tr>
<th>Pending Charges</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>C</strong> Subtotal Pending Charges</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| A - B - C Available Funds After Pending Charges | 1,499,444 | 90,033 | 10,613 | 1,600,090 |

* No change from prior month
RBOC 2013 Meeting Dates
(DRAFT)

Monday, January 28, 2013
Monday, February 25, 2013
Monday, March 18, 2013
Monday, April 15, 2013
Monday, May 13, 2013
Monday, June 10, 2013 or June 17, 2013
Monday, July 15, 2013
Monday, August 12, 2013
Monday, September 16, 2013
Monday, October 21, 2013
Monday, November 18, 2013
Monday, December 16, 2013
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

Monday, October 1, 2012 - 9:30 AM

Special Meeting

1. Call to Order and Roll Call (00:00:00 - 00:00:20)

   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 9:40 a.m. On the call of the roll all members were noted present.

2. Public Comment. (00:00:20 – 00:00:38)

   Public Comment: None.

3. Recommendation from the Contract Working Group Regarding Award of Contract for CS-254, “RBOC Evaluation of the WSIP”. (00:00:38 - 00:30:00)

   Members Holly Kaufman and Ian Hart provided an overview of the evaluation process and the resulting recommendation of RW Block Consulting Inc.

   Mark Blake (City Attorney’s Office); Pauson Yun (SPUC); provided information and responded to questions raised throughout the discussion.

   Member Liederman, seconded by Member Donovan, moved to accept the selection of the Evaluation Panel’s designated winner, RW Block, regarding CS-254 and authorize the Chair (Ummel) of the Contracting Working Group to negotiate final details including a final contract amount not to exceed $300,000 and a term through June 30, 2013.

   The motion passed by the following vote:
Noes: None.

Public Comment: None.

4. Chair's Report:
San Francisco Public Utilities Commission (SFPUC) Staff Report: RBOC Account Statement. (00:30:00 - 00:32:00)

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

Public Comment: None.

5. Approval of RBOC Minutes of September 12, 2012. (00:32:00 - 00:33:00)

Member Kaufman, seconded by Member Hart, moved to approve the RBOC September 12, 2012, Meeting Minutes.

The motion passed by the following vote:

Noes: None.

Public Comment: None.

6. RBOC Member Information Requests Raised at Today's Meeting and Future Agenda Items. (00:33:00 - 00:34:00)

The RBOC October 15, 2012, Regular Meeting will be cancelled.

November 19, 2012 - SFPUC report on the CEQA for Bio Regional Habitat and report on Calavares Dam (The RBOC will extend an invitation to Steve Lawrence to attend).

November 19, 2012 - SFPUC report on Pending Audits of the SFPUC by the Controller's Office.

Discussion - vacancy for open seat on the RBOC.

November 19, 2012 - Rich Morales (SFPUC) to provided an update concerning Wastewater Revenue Bonds.

Public Comment: None.

7. Adjournment.

The meeting adjourned at 10:15 p.m.
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