

MEETING MINUTES
Citizens' General Obligation Bond Oversight Committee Meeting

August 12, 2024
9:36 AM to 11:01 AM
City Hall Hearing Room 400
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Committee Members

Tim Tung, Chair
Andrea Marmo Crawford, Vice Chair
Brian Larkin
Timothy Mathews
Bart Pantoja
Judi Sanderlin

This meeting was held in-person.

Note: The Citizens' General Obligation Bond Oversight Committee meetings are live-streamed courtesy of SFGovTV. The agenda, video recording, audio recording, and caption notes are posted at https://sanfrancisco.granicus.com/player/clip/46694?view_id=191&redirect=true.

Below is a high-level summary of the August 12, 2024 meeting.

Presentations for the meeting can be found at <https://www.sf.gov/meeting/august-12-2024/citizens-general-obligation-bond-oversight-committee-regular-meeting>.

1) Call to Order

Chair Mathews called the meeting to order at 9:36 am and roll was taken.

Roll Call:

Vice Chair Crawford: Present
Member Larkin: Absent (excused)
Chair Mathews: Present
Member Pantoja: Present
Member Sanderlin: Present
Member Tung: Present

Karen Perez, Committee Secretary, confirmed the presence of a quorum and read the Ramaytush Ohlone Land Acknowledgement aloud.

2) General Public Comment

Opportunity for the public to comment on any matters within the Committee's jurisdiction that are not on the agenda.

There were no in-person public comments on this item.

3) Action Item:

Annual elections of the Committee's Chair and Vice Chair

Chair Mathews made a motion to elect Member Tung as the Committee's new Chair. Member Sanderlin seconded the motion.

Chair Mathews opened public comment. There were no in-person public comments on this item.

Roll Call:

Vice Chair Crawford: Yes
Member Larkin: Absent
Chair Mathews: Yes
Member Pantoja: Yes
Member Sanderlin: Yes
Member Tung: Yes

The motion passed.

Member Sanderlin made a motion to re-elect Vice Chair Crawford as the Committee's Vice Chair. Chair Tung seconded the motion.

Chair Tung opened public comment. There were no in-person public comments on this item.

Roll Call:

Vice Chair Crawford: Yes
Member Larkin: Absent
Member Mathews: Yes
Member Pantoja: Yes
Member Sanderlin: Yes
Chair Tung: Yes

The motion passed.

4) Action Item:

Approval, with possible modification, of the minutes from the June 10, 2024 meeting.

Member Pantoja made a motion to approve the minutes from the June 10, 2024 meeting. Member Mathews seconded the motion.

Chair Tung opened public comment. There were no in-person public comments on this item.

Roll Call:

Vice Chair Crawford: Yes
Member Larkin: Absent
Member Mathews: Yes
Member Pantoja: Yes
Member Sanderlin: Yes
Chair Tung: Yes

The motion passed.

5) Discussion Item/Possible Action:

Presentation from various departments on the 2010, 2014, and 2020 Earthquake Safety and Emergency Response GO Bond Programs

Magdalena Ryor, Earthquake Safety and Emergency Response (ESER) Bond Program Manager at SF Department of Public Works (DPW) provided a general update on the bond programs. She reviewed recent bond sales and appropriations and summarized the recent risks, issues, and concerns on the program's budget, scope, and schedules.

Michael Rossetto, Project Manager at DPW, shared updates on several projects involving the SF Police Department (SFPD) and SF Fire Department (SFFD). The project related to SFPD's Traffic Company and Forensic Services Division is in its financial close-out phase. The only remaining activity is the art installation, which is pending due to procurement delays. This activity should start up in September and is expected to be completed in the new year. Mr. Rossetto also provided status updates on the SFFD Network Modernization Project, Fire Station 19, Fireboat Station 35, and Fire Station 29. He reported that projects are making great progress.

Scott Moran, Project Manager at DPW, shared updates on the Neighborhood Fire Stations and Support Facilities project. The project is set to reach 100% schematic design completion by September 2024. DPW plans to release a Request for Proposal (RFP) and Request for Qualifications (RFQ) for construction manager/general contractor (CMGC) services this fall.

Sherry Katz, Project Manager at DPW, provided updates on the Police Station and Support Facilities project under ESER 2020. She discussed the expenditures and allocations for the Ingleside Police Station and the Surge Facility.

Ada Zhou, Project Manager at SF Public Utilities Commission (PUC), updated the Committee on the Emergency Firefighting Water System (EFWS) projects. The 2010 ESER projects have been completed and the 2014 projects are expected to conclude close-out activities by the end of the year. There has been a lot of progress on the 2020 ESER projects. Ms. Zhou discussed recent accomplishments and upcoming milestones for two new pipelines that are in service, two contracts that are currently in the design phase, and the EFWS 2000 Marin project.

Alexis Ward, Project Manager at SF Department of Recreation & Park (RPD), shared updates on disaster response facility project at Kezar Pavilion. In the past quarter, the project reached a major milestone, which was completing the environmental review. Ms. Ward summarized upcoming milestones, including a community outreach event that will be held in late August 2024.

Lisa Zhuo, Project Manager at DPW, provided an update on the SF Department of Emergency Management (DEM) 9-1-1 Call Center project. Ms. Zhuo noted that construction of the facility was completed in April 2024. The project is currently in the financial and project close-out phase.

Program Manager Magdalena Ryor summarized the financial status of each ESER bond. The Committee engaged in a question and answer discussion with the various department representatives. Chair Tung provided a brief liaison update on the ESER programs, highlighting the progress and accomplishments that departments have made throughout the year.

Chair Tung opened public comment. There were no in-person public comments on this item.

6) Discussion Item/Possible Action:

Presentation from various departments on the 2020 Health and Recovery GO Bond Programs

Stacy Bradley, Director of Capital and Planning Division at RPD, provided status and financial updates on several key projects under the Recreation and Park portion of the 2020 Health and Recovery GO Bond. She noted that the GO bond funding has been instrumental in ensuring that parks remain welcoming, clean, and safe.

Edmund Lee, Project Manager at DPW, presented updates on the department's "Right-of-Way Repair" efforts. Mr. Lee highlighted that the department was able to exceed some of its initial project goals due to contractors' eagerness to get back to work post-pandemic. The department saw some cost savings within these contracts and was able to use the savings on additional resurfacing work. The department was also able to complete other "shovel ready" projects during this time.

Hannah Marsh, Capital Planning Analyst at SF Department of Public Health (DPH), provided updates on DPH's portion of the 2020 Health and Recovery GO Bond. The department is working on a site acquisition on Treasure Island, which will expand the existing "Stepdown" bed capacity to 242 (from 172). The department is also using bond funds to renovate and expand Psychiatric Emergency Services (PES) at Zuckerberg SF General Hospital (ZSFGH). Construction began in July 2024 and is expected to be completed in Spring 2026.

Joanne Park, Real Estate Director at SF Department of Homelessness and Supportive Housing (HSH) provided updates on HSH's allocation of this bond. She discussed key deliverables and milestones for Emergency Shelter and Permanent Supportive Housing (PSH) programs that receive bond funding. She also discussed potential program challenges and risks, including future costs that may not be covered by bond proceeds, such as furniture, fixtures, and equipment (FF&E).

The Committee engaged in a question and answer discussion with the department representatives.

Chair Tung opened public comment. There were no in-person public comments on this item.

7) Discussion Item/Possible Action:

Liaison report on the 2019 Affordable Housing GO Bond Programs

Member Mathews presented a liaison report on the three housing bonds under the Affordable Housing GO Bond program. To date, the expenditures of the GO Bond proceeds for the 2015, 2016, and 2019 bonds are in line with voter expectations. Member Mathews shared highlights of the accomplishments and upcoming milestones for all three bonds.

Chair Tung opened public comment. There were no in-person public comments on this item.

8) Discussion Item/Possible Action:

Presentation from the City Services Auditor regarding the Whistleblower Program; Liaison Report on the Whistleblower Program and possible action by the Committee in response to

such presentation and report

David Jensen, Project Manager at SF Controller's Office (CON), presented a semi-annual report on the City's Whistleblower Program. He noted an increase in the volume reports received, which he attributed to the team's enhanced efforts to educate City employees, residents, and the general public about the Whistleblower Program. Approximately 90% of the 631 reports received during fiscal year 2023-2024 (FY23-24) were closed within 90 days. Of the closed reports, about 53% were investigated. Of the reports investigated, 32% resulted in a corrective or preventive action.

Mr. Jensen summarized the outcomes of the FY23-24 program initiatives. He discussed the progress that the team has made in implementing a new case management system. This system was designed to improve the program's efficiency in reviewing, processing, and closing Whistleblower reports, while also providing updates to the public in real-time instead of on a quarterly basis. He encouraged the Committee and the public to provide feedback on these changes.

Member Crawford asked a few follow-up questions regarding the program updates.

Chair Tung opened public comment. There were no in-person public comments on this item.

9) Discussion Item: Possible Action:

Updates from Controller's Office Staff

A. Audits Unit – Public Integrity Reviews

Mark dela Rosa, Director of Audits at CON, provided updates on behalf of the City Services Auditor division. Since the last meeting in June 2024, the Audits Unit issued one additional public integrity report regarding the 2024 implementation status of recommendations. Per this report, approximately 86% of the 79 recommendations made by the Audits team have been implemented and the rest are in progress.

B. City Services Auditor (CSA) Division – Updates and Workplan

Director dela Rosa noted that the City Performance and Audits units have jointly issued their fiscal year 2024-2025 annual work plan. He provided an overview of some of the projects that the divisions plan to execute in the new fiscal year.

Member Crawford inquired about how audit activities are determined during the year. Director dela Rosa explained that some audits are dictated by City mandates and the City Admin Code. The remaining audits on the work plan are determined by the input received from various City departments. The Audits team, in collaboration with the City Performance team, meets with various City departments to identify key risk areas (as they relate to Audits). An internal, limited risk assessment is conducted, and the results are used to help determine which audits can be conducted. Director dela Rosa noted that the team receives numerous suggestions for audits each year. The work plan is balanced against the team's available resources.

Chair Tung inquired about non-profit monitoring, specifically about how non-compliant grantees are identified. Director dela Rosa explained that this process is overseen by City Performance staff and that efforts to develop citywide non-profit monitoring policies are ongoing. Chair Tung expressed interest in learning more about this topic.

C. Public Finance – Upcoming Bond Issuances

Vishal Trivedi, Financial Analyst with the Office of Public Finance (OPF) at CON, presented updates on the GO Bond forward debt calendar. OPF anticipates a bond sale in the Fall/Winter. The team plans to introduce legislation on behalf of four GO bond programs, with hopes to price them together in November/December. This includes the 2020 ESER (third issuance), 2019 Affordable Housing (third and final issuance), 2024 Affordable Housing (new, first tranche of bonds under this authorization), and the 2018 Seawall (third issuance). Shortly after, there are plans for a third issuance for the 2016 PASS program (under Affordable Housing).

D. CGOBOC – FY2024-2025 Workplan, Liaison, and Meeting Dates

Karen Perez, Committee Secretary, reminded the Committee that an updated meeting calendar is available on the CGOBOC website.

Chair Tung opened public comment. There were no in-person public comments on this item.

10) Discussion Item/Possible Action:

Opportunity for Committee members to comment or take action on any matters within the Committee’s jurisdiction.

There were no matters for discussion from the Committee.

Chair Tung opened public comment. There were no in-person public comments on this item.

11) Adjourn

The meeting was adjourned by Chair Tung at 11:01 am.