MINUTES
Citizens' General Obligation Bond Oversight Committee Meeting
August 22, 2022
9:30 am – 11:30 am

Committee Members
Andrea Marmo Crawford
Pia Gheen
Brian Larkin
Timothy Mathews
Siobhan McHugh
Bart Pantoja
Judi Sanderlin

This meeting was held by WebEx pursuant to the Governor's Executive Orders and Mayoral Emergency Proclamations suspending and modifying requirements for in-person meetings. During the Coronavirus Disease (COVID-19) emergency, the Citizens' General Obligation Bond Oversight Committee will convene remotely until the Committee is legally authorized to meet 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/ViewPublisher.php?view_id=191. Below is a high-level summary of the, August 22, 2022, meeting. Presentations for the meeting can be found https://sf.gov/public-body/citizens-general-obligation-bond-oversight-committee and the meeting recording can be found www.sfgovtv.org

1) **Call to Order/Roll Call.**
The meeting was called to order by Rosanne Torre, Committee Secretary, at 9:33 am. The following Committee members were present: Member Andrea Marmo Crawford, Member Pia Gheen, Member Brian Larkin, Vice Chair Timothy Mathews, Member Bart Pantoja and Member Judi Sanderlin. Chair Siobhan McHugh was absent.

2) **Opportunity for the public to comment on any matters within the Committee's jurisdiction that are not on the agenda.**
There was no public comment.

3) **Adoption of AB 361 Resolution Allowing the Committee to meet during the COVID-19 Emergency via Teleconference.**
Vice Chair Mathews made a motion to approve AB 361 Resolution and Member Larkin seconded. Member Andrea Marmo Crawford, Member Pia Gheen, Member Brian Larkin, Vice Chair Timothy Mathews, Member Bart Pantoja, and Member Judi Sanderlin voted to approve the motion. Chair Siobhan McHugh was absent.
There was no public comment.

4) **Elections of Chair and Vice Chair**
Member Larkin made a motion to nominate Member Mathews as Chair. Member Sanderlin seconded the motion. Member Andrea Marmo Crawford, Member Pia Gheen, Member Brian Larkin, Vice Chair Timothy Mathews, Member Bart Pantoja, and Member Judi Sanderlin voted to approve the motion to elect Member Mathews as Chair. Member Siobhan McHugh was absent.

Chair Mathews made a motion to nominate Member Crawford as Vice Chair. Member Pantoja seconded the motion. Member Andrea Marmo Crawford, Member Pia Gheen, Member Brian Larkin, Chair Timothy Mathews, Member Bart Pantoja, and Member Judi Sanderlin voted to

approve the motion to elect Member Crawford to Vice Chair. Member Siobhan McHugh was absent.
There was no public comment on either nomination.

5) **Approval, with possible modification, of the Minutes of the June 06, 2022, meeting.**
Chair Mathews made a motion to approve the minutes with Member Larkin seconding.
Vice Chair Andrea Marmo Crawford, Member Pia Gheen, Member Brian Larkin, Chair Timothy Mathews, Member Bart Pantoja, and Member Judi Sanderlin voted to approve the minutes. Member Siobhan McHugh was absent.
There was no public comment.

6) **Presentation from various departments about the 2010, 2014, and 2020 Earthquake Safety and Emergency Response Bonds and possible action by the Committee in response to such presentation.**

Charles Higueras, Acting Director of the Project Management Bureau and the ESER GO Bond Program manager, presented on the three ESER GO Bond Programs covering components and measures for public safety building, the auxiliary water supply system, neighborhood fire stations. He presented the Executive Summary of highlights, accomplishments, upcoming milestones, bond sales and appropriations, risks, issues or concerns on budget, scope and schedule for the three bond programs. Sherry Katz, Project Manager, Neighborhood Fire Stations and Magdalena Ryor, Project Manager, Police Facilities 2014, Neighborhood Fire Stations, OCME, presented on status and schedule of fire station projects including those closing or completed and those going out to bid. Mr. Higueras presented on the fire training facility project's recent accomplishments and upcoming milestones under the Neighborhood Fire Stations and Support Facilities 2020 program. Ms. Ryor presented on the police and support facilities projects under the 2014 GO Bond Program. Ms. Ryor stated that all were completed but Bay View and Tenderloin and final payment was to happen that week with closeout projected at the end of August. Mr. Higueras covered the recent accomplishments and upcoming milestones for the police stations and support facilities under the 2020 GO Bond Program. Michael Rossetto, Project Manager, reported that the Traffic Company & Forensic Services Division 2014 project is in post construction phase with last piece being the SFAC public art installation.

Mr. Higueras presented on the emergency firefighting water system projects created under the three bond programs. The high-pressure water system was originally installed in 1913 in the more inhabited northeast quadrant of the city. These projects are focused in creating as much equivalence of the availability of water for firefighting throughout the city. He talked about strengthening the system, being more strategic and judicious in providing parity of the pipeline system throughout the city, fireboat manifolds and Pumping Station 2 at Aquatic Park.

Lisa Zhuo, Project Manager, 911 Call Center, presented on the 2020 911 Call Center Renovation project. They are currently in the bid and award phase.

Dan Mauer, Project Manager, Disaster Response Facilities, presented on the 2020 ESER disaster response facilities recent accomplishments and upcoming milestones. The pavilion is a historic structure used for recreation in Golden Gate Park and it will be renovated. He talked about plans for blending a recreational facility with a DEM facility to provide dual function in any particular time of need.

Mr. Higueras noted that San Francisco is a distinguished place and has the distinction of being, according to an international construction management enterprise, the most expensive city in which to build in the entire world. Their work demands that they be mindful and extra circumspect about developing and designing projects to a budget.

Lastly, Mr. Higueras reviewed the budget status and financial plan of the three bond programs.

Member Larkin had questions regarding the art installation project in terms of any delay claim causing added costs. Michael Rossetto said there would be no delay claim. Member Larkin also had questions regarding the Emergency Generator Station 2 project delays. Sheri Katz responded on the delay of the delivery of the generator stating they were having extraordinary delays by the manufacturers and there is force majeure. He also asked Mr. Higueras if on the contracts that were substantially complete if they were delivered on time and if there were any pending delay claims. Mr. Higueras said there were not. And, Member Larkin asked for explanation of the continuing problems with agencies in relation to any delays. Mr. Higueras explained the delays and any mitigation they take. There was a lengthy discussion stemming from Slide 2, Item IV information. Member Pantoja wanted to know where labor shortages are outside of the administrative and construction labor shortages. Mr. Higueras talked about shortages that are caused due to seasoned workers retiring and reasons for shortages of new construction managers and project engineers.
There was no public comment.

7) Presentation from various departments about the 2020 Health and Homelessness, Parks, and Streets, Recovery Bonds and possible action by the Committee in response to such presentation.
Stacy Bradley, Director of Capital and Planning, REC, reported that this presentation is the first to the CGOBOC for this $487.5M GO Bond Program. Focus is on supporting physical and mental health and wellness, opportunities for capital investments in parks, rights-of-way, and for residents experiencing mental health challenges, substance abuse disorders and homelessness. She reported that it is part of the City's FY22-31 Capital Plan which anticipates $1.2B in GO Bonds over the next 10 years. She described which park programs are covered by the first issuance of $176.5M which occurred in August 2021, the amounts encumbered, expended and the balance. Project highlights included India Basin Phase II, Gene Friend Rec Center, Portsmouth Square, Rec Center at Herz Playground and other citywide parks projects. She shared challenges and updates as projects are coming in higher than expected and she talked about areas of delay.

Edmund Lee, Project Manager, DPW, presented on the Right-of-Way portion of the Recovery Bond. He gave background on the responsibility of the City and County in this regard and listed the investments covered by this GO Bond Program with $41.5M dedicated to address capital needs in the City's right-of-way and public spaces. He reviewed the programs and discussed the schedule, goals, accomplishments, budget, expenditures, encumbrances and remaining balance.

Samuel Thomas, Budget Director for Department of Homelessness and Supportive Housing, presented. He said they do not have major updates because their project was completed in 2021 for the Navigation Center. The authorization was for $147M with the amount issued to date $30M. He gave an overview of program bond goals, key deliverables, milestones, status updates and potential future costs not covered by bond proceeds.

Kathy Jung, Director of Facilities and Capital Planning, DPH, and Jason Zook, Executive Project Manager, ZSFGH, presented. Kathy Jung reported that DPH will receive $60M and listed the projects it will be allocated to. She talked about current projects they are currently working on including residential stepdown units on Treasure Island. Jason Zook gave status on the $11.4 million project expansion of the psychiatric emergency services.

Member Crawford had questions for Samuel Thomas on costs per unit. Member Larkin directed questions to Stacey Bradley regarding the delays and the shifting of funds. Member Gheen directed questions to Edmund Lee regarding funding and scheduling for street repair and resurfacing.
There was no public comment.

8) **Liaison Report 2015 Affordable Housing Bond, 2016 Loans to Finance Acquisition and rehabilitation of Affordable Housing (PASS), 2019 Affordable Housing Bond.**

Chair Mathews reported that the staff on this bond program are working on closing their books for the fiscal year and they will deliver the details during the next presentation to the committee. As of June 30, 2022, 88 percent of the authorized 2015 GO Bond funds have been expended or encumbered. Chair Mathews gave a breakdown on spending since last December. He then reviewed the projects and spending under the 2016 and 2019 GO Bond Programs. He commented on how vital the bond programs are to the working families in San Francisco. He stated that the only way to address the affordability issue specifically for families that earn under the area median income is to build affordable housing units that include 2- and 3-bedroom units. Construction of housing is not lacking, but those affordable is.

There was no public comment.

9) **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 A. Jensen, Whistleblower Program Manager, presented. He reviewed the matters that are appropriate for investigation, where reports are sent that are not within the Whistleblower Program's scope of work and introduced the Whistleblower staff. He reviewed the number of reports received since 2013 with 160 reports received Quarter 4. He reviewed modes for receipt of reports with 85 percent coming through the online web form. A chart demonstrated the complaint process flow demonstrating the movement and addressing of those complaints. Another chart showed 91 percent of reports were closed in Quarter 3 within 90 days of receipt. The goal is to close 75 percent of reports within 90 days, and they hit 91 percent. He reported that 32 percent of reports resulted in corrective or preventative action. Finally, he covered Fiscal Year 2021-22 initiatives and ongoing and new efforts to ensure a Best-in-Class Program.
There was no public comment.

10) **Opportunity for Committee members to comment on any matters within the Committee's jurisdiction or to take action on the matters listed below.**
    a. Audits Unit - Public Integrity Reviews
       Mark de la Rosa, Controller's Director of Audits, reported on the City Services Auditor Audits Division's activity from May 31 through August 15, 2022.
    b. Performance Unit – Natasha Mihal, Controller's Director of City Performance, reported on the status of the Public Perception Survey Project.
    c. CSA Division – Updates and Workplan
       Both Natasha Mihal and Mark de la Rosa provided status updates.
    d. Public Finance – Upcoming Bond Issuances
       Vishal Trivedi, Controller's Financial Analyst, presented on the anticipated GO Bond issuances for FY 2022-23.
    e. CGOBOC - FY 2022-2023 Workplan, Liaison, and Meeting Dates.
       Calendar was reviewed.

There was no public comment.

Adjournment
There was a motion by Chair Mathews to adjourn the meeting; seconded by Member Pantoja.
Meeting adjourned at 11:46 am