

File No. 181023

Committee Item No. 1

Board Item No. \_\_\_\_\_

# COMMITTEE/BOARD OF SUPERVISORS

## AGENDA PACKET CONTENTS LIST

Committee: Rules Committee

Date December 3, 2018

Board of Supervisors Meeting

Date \_\_\_\_\_

### Cmte Board

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|-------------------------------------|--------------------------|--|
| <input type="checkbox"/>            | <input type="checkbox"/> | Motion                                       |
| <input type="checkbox"/>            | <input type="checkbox"/> | Resolution                                   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Ordinance                                    |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Legislative Digest                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/> | Youth Commission Report                      |
| <input type="checkbox"/>            | <input type="checkbox"/> | Introduction Form                            |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/> | Memorandum of Understanding (MOU)            |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Subcontract Budget                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Form 126 - Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/> | Form 700                                     |
| <input type="checkbox"/>            | <input type="checkbox"/> | Vacancy Notice                               |
| <input type="checkbox"/>            | <input type="checkbox"/> | Information Sheet                            |
| <input type="checkbox"/>            | <input type="checkbox"/> | Public Correspondence                        |

### OTHER (Use back side if additional space is needed)

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Completed by: Victor Young Date Nov. 29, 2018

Completed by: \_\_\_\_\_ Date \_\_\_\_\_

1 [Administrative Code - Extension of the Public Utilities Revenue Bond Oversight Committee]

2  
3 **Ordinance amending the Administrative Code to extend the sunset date of the Public**  
4 **Utilities Revenue Bond Oversight Committee; and suspend provisions of Board Rule**  
5 **2.21, to extend the Committee for an additional six years to January 1, 2025.**

6       NOTE:    **Unchanged Code text and uncodified text** are in plain Arial font.  
7               **Additions to Codes** are in *single-underline italics Times New Roman font*.  
8               **Deletions to Codes** are in *strikethrough italics Times New Roman font*.  
9               **Board amendment additions** are in double-underlined Arial font.  
              **Board amendment deletions** are in ~~strikethrough Arial font~~.  
              **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code  
              subsections or parts of tables.

10  
11       Be it ordained by the People of the City and County of San Francisco:

12  
13       Section 1. Findings. The Board of Supervisors hereby finds and declares as follows:

14       (a)    Proposition P, a 2002 initiative ordinance (now codified at San Francisco  
15    Administrative Code, Sections 5A.30 et. seq.) created the Public Utilities Revenue Bond  
16    Oversight Committee ("RBOC") to provide independent oversight of the San Francisco Public  
17    Utilities Commission's ("SFPUC") expenditure of revenue bond proceeds on the repair,  
18    replacement, and expansion of the City's water, power, and wastewater facilities.

19       (b)    The RBOC monitors and reports publicly about the SFPUC's expenditure of  
20    revenue bond proceeds on the repair, replacement, upgrading and expansion of the City's  
21    water collection, power generation, water distribution, and wastewater treatment facilities.

22       (c)    The RBOC is required to provide oversight to ensure that: (1) revenue bond  
23    proceeds are expended only in accordance with the authorizing bond resolution and  
24    applicable law; (2) revenue bond proceeds are expended solely for uses, purposes and  
25    projects authorized in the bond resolution; and (3) revenue bond proceeds are appropriately

1 expended for authorized capital improvements so that an uninterrupted supply of water and  
2 power continues to flow to the City and the SFPUC's customers.

3 (d) The RBOC has conducted monthly public hearings about SFPUC activities and  
4 provides annual reports of its findings to this Board and to members of the public.

5 (e) In accordance with Administrative Code Section 5A.36 (a), the provisions of  
6 Proposition P would have expired on January 1, 2013, unless extended by ordinance.

7 (f) This Board adopted Ordinance No. 236-12 on December 4, 2012, signed by the  
8 Mayor on December 7, 2012, to extend the sunset date of the RBOC to January 1, 2016.

9 (g) This Board This Board adopted Ordinance No. 189-15 on October 27, 2015,  
10 signed by the Mayor on November 4, 2015, to extend the sunset date of the RBOC to January  
11 1, 2019.

12 (h) The SFPUC will continue to incur bonded indebtedness to finance capital  
13 improvements for the repair, replacement, and expansion of its water enterprise and will from  
14 time to time issue its revenue bonds to finance the cost of such improvements.

15 (i) The SFPUC also expects to initiate a multi-billion dollar capital improvement  
16 program for the wastewater enterprise, and bonding for this program is expected to continue  
17 through 2025.

18 (j) In order to ensure that revenue bonds of the SFPUC are used for their intended  
19 purposes, and to ensure that the SFPUC continues to employ the best management  
20 practices, it is necessary and desirable that the RBOC continue to provide oversight of the  
21 SFPUC expenditure of revenue bond proceeds.

22 Section 2. The San Francisco Administrative Code is hereby amended by revising  
23 Section 5A.36 to read as follows:

24 ///

25 ///

1 (a) Unless the Board by ordinance reauthorizes the provisions of this Ordinance for  
2 a specified period of years, the provisions of this Ordinance shall expire on January 1, ~~2019~~  
3 2025.

4 Section 3. Effective Date. This ordinance shall become effective 30 days after  
5 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
6 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
7 of Supervisors overrides the Mayor's veto of the ordinance. Notwithstanding the Effective  
8 Date of this Ordinance, it is the intent of this Board that the authority conferred on the RBOC  
9 under Proposition P (codified at San Francisco Administrative Code, Sections 5A.30 et. seq.)  
10 shall be without interruption, and that the incumbent members of the RBOC shall continue to  
11 hold their seats without reappointment until the expiration of their respective terms.

12 Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors  
13 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,  
14 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal  
15 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment  
16 additions, and Board amendment deletions in accordance with the "Note" that appears under  
17 the official title of the ordinance. Notwithstanding Rule 2.21 of the Board of Supervisors Rules  
18 of Order, which provides that advisory bodies created by the Board should sunset within three  
19 years, this Article XXV shall expire on January 1, 2025 unless the Board of Supervisors

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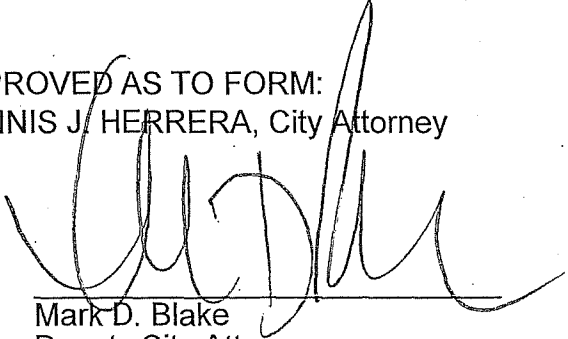
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25 ///

1 adopts an ordinance continuing its existence. In the event this Article expires, the City  
2 Attorney shall cause it to be removed from the Administrative Code.

3  
4 APPROVED AS TO FORM:  
5 DENNIS J. HERRERA, City Attorney

6  
7 By:

8   
9 Mark D. Blake  
10 Deputy City Attorney

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**LEGISLATIVE DIGEST**

[Administrative Code - Extension of the Public Utilities Revenue Bond Oversight Committee.]

**Ordinance amending the Administrative Code to extend the sunset date of the Public Utilities Revenue Bond Oversight Committee; and suspend provisions of Board Rule 2.21, to extend the Committee for an additional six years to January 1, 2025.**

Existing Law

Under Section 5A.36 of the Administrative Code the Public Utilities Commission's Revenue Bond Oversight Committee sunsets on January 1, 2019.

Background Information

Proposition P, a 2002 (now codified at S.F. Admin. Code, Sections 5A.30 et. seq.) initiative ordinance, created the Public Utilities Revenue Bond Oversight Committee (RBOC) to provide independent oversight of the Public Utilities Commission's expenditure of revenue bonds proceeds on the repair, replacement and expansion of the City's water, power and wastewater facilities.

The RBOC monitors and reports publically about the Public Utilities Commission's (PUC) expenditure of revenue bond proceeds on the repair, replacement, upgrading and expansion of the City's water collection, power generation, water distribution and wastewater treatment facilities.

Under Proposition P, the original sunset date of the RBOC was January 1, 2013, unless extended by ordinance of the Board of Supervisors. The Board of Supervisors has extended the sunset date on several occasions, most recently by Ordinance No. 198-15 passed the Board on October 27, 2015 and signed by the Mayor on November 4, 2015, to extend the sunset date of the RBOC to January 1, 2019.

In the light of a continuing multi-billion capital improvement program of the PUC, the proposed Ordinance amends Administrative Code Section 5A.36 to extend the sunset date of the RBOC to January 1, 2025.

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**San Francisco  
Water Power Sewer**  
Services of the San Francisco Public Utilities Commission

525 Golden Gate Avenue, 13th Floor  
San Francisco, CA 94102  
T 415.554.3155  
F 415.554.3161  
TTY 415.554.3488

October 17, 2018

Mr. Travis George, Co-Chair  
Mr. Robert Leshner, Co-Chair  
Public Utilities Revenue Bond Oversight Committee  
525 Golden Gate Avenue, 4th Floor  
San Francisco, CA 94102

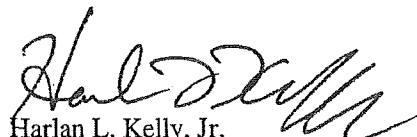
Dear Messrs. George and Leshner:

This letter is written in support of extending the sunset date of the Revenue Bond Oversight Committee (RBOC). The RBOC was originally scheduled to sunset on January 1, 2013 and is currently scheduled to sunset on January 1, 2019. The SFPUC supports the proposed extension for six years to January 1, 2025 in anticipation of continuing RBOC's oversight work of the SFPUC's capital programs.

Pursuant to Proposition P, as enacted by the voters of the City and County of San Francisco in 2002, RBOC provides valuable oversight over the SFPUC's expenditure of revenue bond proceeds on the repair, replacement, upgrading and expansion of San Francisco's regional water collection and distribution system, power generation, and wastewater treatment facilities operated by the SFPUC. RBOC has diligently and effectively provided oversight of the SFPUC's various capital programs, including the spending of revenue bond proceeds for the Water System Improvement Program (WSIP), helping guide this capital program toward completion.

The SFPUC has more recently embarked on financing and implementing the Sewer System Improvement Program (SSIP), a capital program that will provide critical upgrades and improvements to San Francisco's aging sewer and stormwater collection system. As with WSIP, revenue bonds are expected to be the primary funding source for the SSIP. I fully support the proposed extension in order to continue RBOC's mission and responsibilities. A resolution in support of RBOC's proposed extension will be formally heard by the Commission at the November 13, 2018 meeting.

Sincerely,

  
Harlan L. Kelly, Jr.  
General Manager

**London Breed**  
Mayor

**Vince Courtney**  
President

**Ann Moller Caen**  
Vice President

**Francesca Viotor**  
Commissioner

**Anson Moran**  
Commissioner

**Ike Kwon**  
Commissioner

**Harlan L. Kelly, Jr.**  
General Manager

**OUR MISSION:** To provide our customers with high-quality, efficient and reliable water, power and sewer services in a manner that values environmental and community interests and sustains the resources entrusted to our care.





**San Francisco**  
**Water Power Sewer**  
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BOARD OF SUPERVISORS  
 SAN FRANCISCO

2018 OCT 22 AM 11:59

**TO:** Angela Calvillo, Clerk of the Board

**FROM:** John Scarpulla, SFPUC Policy and Government Affairs

**DATE:** October 22, 2018

**SUBJECT:** Public Works Code - Repeal of Reclaimed Water Use Ordinance

Attached please find an original and one copy of a proposed ordinance amending the Administrative Code to extend the sunset date of the Public Utilities Revenue Bond Oversight Committee, suspend provisions of Board Rule 2.21, for an additional six years to January 1, 2025.

The following is a list of accompanying documents (2 sets):

1. Board of Supervisors Ordinance
2. Legislative Digest
3. Letter from SFPUC General Manager

Please contact John Scarpulla at 415-934-5782 if you need any additional information on these items.

- London N. Breed**  
Mayor
- Vince Courtney**  
President
- Ann Moller Caen**  
Vice President
- Francesca Vietor**  
Commissioner
- Anson Moran**  
Commissioner
- Ike Kwon**  
Commissioner
- Harlan L. Kelly, Jr.**  
General Manager

**OUR MISSION:** To provide our customers with high-quality, efficient and reliable water, power and sewer services in a manner that values environmental and community interests and sustains the resources entrusted to our care.





BOARD of SUPERVISORS



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Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 544-5227

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## MEMORANDUM

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Date: November 29, 2018

To: The Honorable Members, Board of Supervisors

From:  Angela Calvillo, Clerk of the Board

Subject: Public Utilities Revenue Bond Oversight Committee

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Board of Supervisors Rules of Order 2.21 establishes certain criteria that must be included in legislation creating and establishing, or reauthorizing, new bodies (boards/commissions/task forces/advisory bodies) and requires the Clerk of the Board to advise the Board on certain matters. Through this Ordinance, the Board will be reauthorizing the Public Utilities Revenue Bond Oversight Committee. In order to fulfill these requirements, the following is provided:

**File No. 181023      Administrative Code - Extension of the Public Utilities Revenue Bond Oversight Committee**

*The Public Utilities Revenue Bond Oversight Committee was established with the responsibility of reporting publicly to the Mayor, Public Utilities Commission (PUC), and Board of Supervisors on PUC's expenditure of revenue bond proceeds on the repair, replacement, upgrading and expansion of the City's water collection, power generation, water distribution, and wastewater treatment facilities.*

*The voters passed the Initiative Ordinance (Proposition P) in November 2002 that created the Oversight Committee; therefore, amendments to the Administrative Code are limited in order to stay consistent with the ballot measure.*

- Does a current body address the same or similar subject matter?

*No, there is no current body that addresses the same or similar subject matter.*



- Language requiring the body to meet at least once every four months

*There is no language in the Administrative Code that requires the Committee to meet at least once every four months.*

- Language indicating members serve at the pleasure of the appointing authority

*There is no language in the Administrative Code that indicates members serve at the pleasure of their appointing authority.*

- Language establishing attendance requirements

*There is no language in the Administrative Code that establishes attendance requirements for members. However, the RBOC Bylaws state that "if a Committee member has misses three (3) consecutive duly called meetings of the Committee without informing the Chair as to the reason or cause of the absence, such Committee member shall be presumed to have vacated their position on the Committee. Thereupon the Chair shall place on the next succeeding agenda for the Committee's consideration an item to permit such member to appear and explain his or her absence from Committee meetings. Prior to such meeting, the Chair shall cause to be provided no later than 5 days prior to such meeting notice to the absent Committee member requesting their attendance at such meeting. If such member shall not attend the next succeeding meeting then and in such case the presumption shall become conclusive and such member shall be deemed to have vacated their position on the Committee. Thereafter the Chair shall promptly notify the appointing authority of the presumed vacancy and request that such vacancy be filled at the earliest possible date."*

- Number of seats and qualifications

*There are a total of seven seats: two appointed by the Board of Supervisors, two appointed by the Mayor, one appointed by the Controller, and one member appointed by the governing body of the Bay Area Water Users Association.*

*The members appointed by the Board of Supervisors and the Mayor must individually, or collectively, have expertise, skills and experience in economics, the environment, construction, and project management. The member appointed by the Controller must have a background and experience in auditing, and project finance.*



*No current officer or employee of the City shall be appointed to the Committee. No vendor, contractor, or consultant of the City that performs work funded by bonds issued by the City shall be appointed to the Committee.*

- Term limits (i.e., commencement date? staggered terms?)

*Each member shall serve for a term of four years, and for no more than two consecutive terms.*

- Administering department

*The Board of Supervisors provides the Committee with clerical, technical, and administrative assistance to publicize the conclusions and recommendations of the Committee.*

- Reporting requirements

*Section 5A.22 requires the Committee to issue regular reports (at least once a year) of its activities.*

- Sunset date

*Section 5A.36 indicates the Committee shall expire on January 1, 2019. If the Ordinance is passed, the Committee shall be extended for an additional six years (January 1, 2025).*

