1		MINUTES
2		Contracting Working Group
3		of the
4		Public Utilities Revenue Bond Oversight Committee
5		
6		Friday, November 21, 2008
7		2:00 p.m. – 4:00 p.m.
8		1155 Market Street (between 7 th & 8 th Streets)
9		6th Floor Conference Room
10		
11		Contracting Working Group Members
12		Patrick Sweetland
13		Brian Browne
14		Stan Jones
15		
16	1.	Call to Order and Roll Call
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18		Chair Patrick Sweetland called the meeting to order at 2:10 p.m. and
19		roll call was taken.
20		Present: Patrick Sweetland, Brian Browne and Stan Jones.
21		Absent: None.
22		There was a quorum.
23		
24	2.	Discussion and possible action regarding recommendations to
25		the Revenue Bond Oversight Committee regarding review of
26		SFPUC WSIP projects
27		-
28		The Contracting Working Group discussed the scope for a professional
29		service contract to review SFPUC WSIP projects.
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31		To avoid speculation, Mr. Sweetland suggested that a consultant
32		review previously completed WSIP projects to avoid speculation and
33		address known project cost. In addition, the consultant will set forth
34		their work approach. A major component of the report should include a
35		detailed analysis of overall project budget and how the various work
36		components held up versus the budgeted amounts. Goals of the
37		review should include, but not be limited to, contingency, overages,
38		change orders, reason for changes, affordability, and fulfillment of the
39		criteria of Proposition P.
40		It was suggested that the most expansive regional project most likely
41		It was suggested that the most expensive regional project, most likely
42		the Sunset Reservoir North Basin, be reviewed by SFPUC staff
43		(project manager) and presented to the RBOC in early 2009.
44		

Mr. Browne suggested scheduling a meeting to discuss the purpose, the accomplishments and the future goals of the RBOC in order to better inform the public.

 Mr. Browne also suggested that the RBOC be assigned consultants independent from the City. The RBOC does not have the expertise in areas such as various engineering disciplines, finance and legal experts.

Public Comment: Steve Lawrence inquired about the target of expenditures for WSIPs. Mr. Lawrence suggested calling hearings, inspecting documents, and using experts to review the use of funds by WSIP to provide answers as to how efficiently funds are being used in accomplishing the WSIP goals to deliver reliable water service.

3. Discussion and possible action regarding recommendations to the Revenue Bond Oversight Committee regarding allocation of overhead costs to ratepayers

The report regarding allocation of overhead costs to ratepayers is currently in progress and is expected to be delivered in December of 2008.

4. Discussion and possible action regarding recommendations to the Revenue Bond Oversight Committee regarding the financing and funding sources for future RBOC reports

The RBOC received 1/20 of 1 percent for every bond dollar sold. The next bond sale is scheduled to occur in May of 2009. The RBOC currently has \$102,000, minus \$27,000 for the Robert Kuo Consulting LLC contract. There is a possibility that the RBOC could finance future work orders/contracts to be paid back once the bonds are sold.

Discussion and possible action regarding the Robert Kuo Consulting LLC contract deadline and the timeline for delivery of work products

The Robert Kuo Consulting LLC contract expires on December 31, 2008; however, the contract may get extended to March 2, 2009 as there is still \$27,000 remaining on the current contract. The entire Robert Kuo Consulting LLC contract must me completed and delivered by the end of the contract. If any additional work is requested or anticipated to be completed after March 2, 2009, a new Request for Proposals will be required.

91	6.	Discussion and possible action related to scheduling of the next
92		meeting of the Contracting Working Group
93		
94		The next meeting of the Contracting Working Group to be determined.
95		
96	7.	Discussion and possible action related to approval of draft
97		minutes from the November 7, 2008 meeting of the Contracting
98		Working Group
99		
100		Mr. Jones moved, seconded by Mr. Browne, to approve the minutes of
101		November 7, 2008 as amended.
102		The minutes passed unanimously.
103		
104	8.	Adjournment
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106		Chair Sweetland adjourned the meeting at 3:44 p.m.
107		
108		