



SFMTA BOND OVERSIGHT COMMITTEE (BOC)

MINUTES—August 28, 2013 – 2:00 pm

One South Van Ness Avenue, 7th Floor, Union Square Conference RM #7080

1. Call to Order and Introductions

Committee members:

Rudy Nothenberg - Chairman
Dan Murphy – Vice Chairman
Leona Bridges
Jose Cisneros
Emilio Cruz – (Excused absence)
Steve Ferrario
Nadia Sesay

Others in Attendance:

Sonali Bose – SFMTA, Chief Financial Officer
Matt Brill – SFMTA, Principal Analyst for Capital Financial Planning & Analysis
Lucien Burgert – SFMTA, Capital Controls Manager
Cindy Gumpal, SFMTA, SFMTA BOC Secretary
Vince Harris – SFMTA, Director of Capital Programs and Construction
Amit Kothari – SFMTA, Deputy Director of Sustainable Streets
Monique Webster – SFMTA, Manager of Capital Grants and Budgeting
Mary Fitzpatrick – SF Controller's Office
Vincent McCarley – Backstrom McCarley Berry & Co., LLC
Lourdes Nicomedes- Department of Public Works (DPW)

2. Public Comment:

Public Comment: None.

3. Approval of Minutes from May 29, 2013 Meeting (Attachment A)

On motion to approve the minutes of May 29, 2013: Approved

4. **Review Project Reporting Information and Delivery Schedule**

Ms. Webster (SFMTA) provided a summary of the quarterly report that covers the fourth quarter of FY 2012/2013 that ended on June 30, 2013.

Mr. Harris (SFMTA) summarized status report for Projects B through F.

- The BOC members agreed since these projects are bond fund investments that SFMTA should continue reporting on these projects even if all bond funds has been expended.

Mr. Kothari (SFMTA) summarized the status report on the Parking garage projects and responded to questions raised throughout discussion.

Action Item: BOC members requested that for each Bond funded project being reported on the quarterly report, the amount of bond funds in each category (“Budget”, “Approved” etc) be identified and shown separately from other funds (if any) being used for the same project.

5. **Discussion of Written Policy and Procedures for Accounting for and Monitoring Bond Proceeds**

Ms. Fitzpatrick (Controller’s Office) and Lourdes Nicomedes (DPW) provided a summary to the BOC Committee members the written procedures for work authorization between SFMTA and DPW.

Chairman Nothenberg asked whether it was possible to retrospectively examine DPW charges already made for compliance with these procedures.

- Ms. Bose (SFMTA) explained that the written procedures outline the timelines for look back and process for correction of expenditures if required.

Chairman Nothenberg confirmed that SFMTA, DPW and Controller’s Office are satisfied with the current standard procedures and that the procedures are also applied retrospectively.

6. **Discussion of Recently Approved Commercial Paper**

Ms. Bose (SFMTA) suggested there should be a change to Bylaws and will consult with Mr. Blake (City Attorney).

Vice Chairman Murphy, seconded by Member Ms. Sesay, moved to amend Bylaws prior to next meeting.

Action Item: The Bylaws to be revised by City Attorney to reflect inclusion of oversight of all debt issued by the SFMTA not just revenue bonds.

Member Ms. Sesay and Ms. Bose (SFMTA) summarized recently approved \$100 million Commercial Paper Program and provided information and responded to questions raised throughout discussion.

Ms. Bose (SFMTA) agreed to draft a commercial paper program procedural document and circulate the draft to the BOC members prior to next meeting.

7. **Discussion of Upcoming Revenue Bond, Series 2013**

Ms. Bose (SFMTA) explains the upcoming Revenue Bond Series 2013 that is approximately \$150 million of project fund and requested a “Not to exceed” of \$175 million to cover other expenditures that will be forwarded to SFMTA Board for approval on September 3, 2013 and subsequently to Board of Supervisors (the amount was reduced to a “Not to exceed” amount of \$165 million prior to Board of Supervisor’s submission to reflect market conditions).

Mr. Brill (SFMTA) provided detailed information on upcoming projects that are funded on the next issuance.

The BOC requested that a more readable, updated summary of proposed projects for Series 2013 Bond issue be provided the Committee prior to the next BOC meeting .

Action Item: At the next BOC meeting provide an update on the status of the Series 2013 Revenue Bonds.

8. **Discussion of Next BOC meeting:**

BOC members agreed to tentatively meet November 6, 2013 – 2pm – 4pm.

9. **Adjournment**