

SFMTA Bond Oversight Committee

Rudy Nothenberg, Chairman Dan Murphy, Vice Chairman

Leona Bridges, Kathryn How, Robert Shaw, Nadia Sesay, Stephen Taber

MINUTES— September 6, 2017 - 2:00 p.m.

MEETING LOCATION--SFMTA - 1 South Van Ness Avenue, 3rd Floor
Civic Center Conference Room # 3074

1. **Call to Order and Roll Call:**

Committee Members:

Rudy Nothenberg - Chairman
Daniel Murphy - Vice Chairman
Leona Bridges
Kathryn How
Nadia Sesay
Bob Shaw
Stephen Taber

A quorum being present, the meeting was called to order at 2:05 p.m. On the roll call, Committee Members Leona Bridges and Kathryn How were noted absent. Daniel Murphy joined the meeting at 2:10pm.

2. **Public Comment:**

None.

3. **Introduction of New Member Bob Shaw – Attachment A**

Robert Shaw, from the Treasurer’s Office, was introduced as the new member of the SFMTA Bond Oversight Committee. He replaced Pauline Marx on August 17, 2017, as one of the three members appointed by the SFMTA Board.

Public comment: None.

4. **Approval of Minutes for September 6, 2017 Meeting (Action):**

On motion to approve the minutes of the September 6, 2017 meeting minutes:
Unanimously approved (Committee Members Leona Bridges and Kathryn How absent)

Public comment: None.

5. **By-Laws Requirement For The Minimum Number Of Meetings Annually (Action/Follow-up):**

Mark Blake (Deputy City Attorney) indicated that according to the by-laws the Committee need to meet once every quarter a minimum of 4 meetings a year. Also, Deputy City Attorney stated that he does not believe that a make-up meeting is necessary, it being up to the Committee's discretion. BOC members decided to have back to back meetings on December 6, 2017 – one meeting focused on the regular review of information and the other focused on review of the 2017 Annual Report.

Public comment: None.

6. **Review of Bond Funded Projects Expenditures and Delivery: (Discussion Item) –**
[Reference Item #6 on agenda]:

- a. **Fiscal Year 2016-2017 Quarter 4 report:** [link to report provided here: [SFMTA Quarter Report](https://www.sfmta.com/sites/default/files/agendaitems/2017/2017%20Q4%20Revenue%20Bond%20Report%20-%20Final%20%28Attachment%20C%29.pdf)]
<https://www.sfmta.com/sites/default/files/agendaitems/2017/2017%20Q4%20Revenue%20Bond%20Report%20-%20Final%20%28Attachment%20C%29.pdf>]

Charlotte Wu (SFMTA) provided a summary of bond funded project expenditures and indicated that 2012 Bond has been fully expended (except for interest income which will be appropriated during the 2-year budget approval process). The 2013 Bond is 96% spent. The target date to clean up all small amounts is end of this calendar year subject to the new financial system implementation. The 2014 Bond is 15% spent.

b. **Projects that staff agreed from March 3rd meeting to revisit the spending timeline:**

Cathal Hennessy (SFMTA) provided an update on 5 Fulton Outer route project. This project has a balance of almost \$500k as the project was tied to the Public Works paving schedule. As of spring of this year Public Works completed the project. SFMTA staff also reported that SFMTA crews completed the striping and red curb work. The excess bond funds are being transferred to the LRV4 procurement.

Charlotte Wu reported that there was a delay of 3 ½ months on the Masonic Avenue Streetscape project due to obtaining the required sidewalk legislation as well as bad weather. The project is now back on track and, in coordination with Public Works, and is expected to spend down 75% of the funds by the end of the year.

c. **Project Presentations -**

Transit Projects: [link to report provided here: [SFMTA transit presentations](https://www.sfmta.com/sites/default/files/agendaitems/2017/BOC%20Presentation%20Transit%20-%20Q4%202017%20%28Attachment%20D%29.pdf)]
<https://www.sfmta.com/sites/default/files/agendaitems/2017/BOC%20Presentation%20Transit%20-%20Q4%202017%20%28Attachment%20D%29.pdf>]

Public comment: None.

7. **Project Management –** [Reference Item #8 on agenda]:

Jonathan Rewers (SFMTA) and John Thomas (Public Works) updated the Committee on-going efforts to improve coordination between the SFMTA and Public Works to improve project delivery. Committee members requested clarification on schedule development and public outreach through the duration of the project. The suggestion was made to ensure project scheduled included time for adequate outreach, both initial and ongoing outreach particularly if there are delays in project implementation.

Public comment: None.

8. **Revenue Bond Agreed Upon Procedures for FY 2017 – (Oral Report)** – [Reference Item #9 on agenda]:

Jie Hua Lee from KPMG presented the draft Fiscal Year 2016-2017 work plan to review bond transactions. KPMG reported that the work plan for Fiscal Year 2016-2017 is similar to the previous years with a sample size of sixty-five transactions, to include representative coverage of large and small dollar amounts, interdepartmental charges, and other miscellaneous items.

Public comment: None.

9. **Whistleblower complaints – (Action/Discussion Item)**

Mark Blake (Deputy City Attorney) indicated that this was not an action item. There was a discussion around how the BOC could be notified if there was a whistleblower complaint alleging the misuse or waste of bond proceed as whistleblower complaints are intended to be confidential. Mr. Blake indicated that they are in process of discussing with the Controller's Office and will report next meeting. A representative from the City whistleblower's program will be invited to the next meeting. **[FOLLOW-UP]**

Public Comment: None.

10. Schedule Upcoming Meeting Date and Future Agenda Items - Regular Meeting and Special Meeting scheduled on December 6, 2017

Public comment: None.

11. **Adjournment:**

The meeting adjourned at 3:40pm.

An audio recording of this meeting is on file with Ms. Aida Corpuz, Administrative support for the SFMTA Bond Oversight Committee. Please contact Ms. Corpuz at 415-701-4658 or email: BOCOversightCommitttee@sfmta.com if there are any questions or comments.