

**MINUTES**  
**Citizens' General Obligation Bond Oversight Committee Meeting**  
**April 24, 2023**

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

This meeting was held 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](https://sanfrancisco.granicus.com/ViewPublisher.php?view_id=191). Below is a high-level summary of the, April 24, 2023, meeting. Presentations for the meeting can be found at <https://sf.gov/meeting/april-24-2023/april-24-2023-cgoboc-meeting>

**1) Call to Order/Roll Call.**

The meeting was called to order by Rosanne Torre, Committee Secretary at 9:36 am. The following Committee members were present: Vice Chair Andrea Marmo Crawford, Member Pia Gheen, Member Brian Larkin, Chair Timothy Mathews, Member Bart Pantoja and Member Judi Sanderlin.

**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) Approval, with possible modification, of the minutes of the February 27, 2023, meeting.**

Vice Chair Crawford remarked that at the February meeting, a new Whistleblower liaison was added. Secretary Torre reported that it had been prior Member McHugh, who is no longer on the Committee and was removed from the liaison roster.

Member Pantoja made a motion to approve, and Chair Mathews seconded. The minutes were approved by Vice Chair Crawford, Member Gheen, Member Larkin, Chair Mathews, Member Pantoja and Member Sanderlin.

There was no public comment.

**4) Presentation from the Port regarding the 2018 Embarcadero Seawall Earthquake Safety Bond and possible action by the Committee in response to such presentation.**

Carlos Colon Waterfront Resilience Program Administrator introduced the presentation to discuss the 2018 Embarcadero Seawall Earthquake Safety Bond. This is a report about 2022, but there was a recent bond sale for almost \$40 million dollars which will be available shortly.

Steven Reel, Deputy Program Manager of Project Management and Engineering, presented updated on the early projects. The program stretches the 7.5 miles of the City's Port. The Seawall bond covers the 3.5 mile Embarcadero zone. Twenty-three projects have been identified, though the program does not have funding for all of those. The program has moved forward with six projects that are in pre-design and has completed needs assessment reports and alternatives analysis for each.

The Wharf J9 Replacement and Resilient Shoreline Project is in Fisherman's Wharf and has a

failing wharf and high earthquake risk seawall. This will increase disaster response capabilities and provide earthquake accessible berths, including access to emergency fire water systems manifold that is currently inaccessible. The project will also revitalize what has been a historically underinvested area for public use.

The Pier 15 Bulkhead Wall and Wharf Earthquake Safety Retrofit Project is near the Exploratorium to retrofit the seawall to prevent damage or collapse in an earthquake. The area has high risk of lateral spread and will also include berths that will be used for emergency response and the project will allow the Exploratorium to remain open during construction. There are three project alternatives, including building on previous investment if substructure retrofits.

The Pier 9 Bulkhead Wall and Wharf Earthquake Safety Retrofit Project is similar to the Pier 15 project, with the difference being there hasn't been a substructure repair. There are also three alternatives.

The Ferry Building Seawall and Substructure Earthquake Reliability Project will strengthen the seawall and Ferry Building. The project will provide reliable earthquake disaster response berths and staging areas by strengthening the seawall and surrounding substructures. The project will improve the waterside public realm and will minimize construction impacts in this busy area. This is the most complex area on the waterfront, with buildings from 1889, BART tunnel underneath, and the historic clock tower.

The Pier 5 to 22 ½ Near-Term Coastal Flood Risk Reduction Project starts at Broadway down to Howard Street, about three-quarters of a mile. The project will reduce near-term flood risk while longer-term solutions are developed for earthquake stability and sea level rise. The project has submitted a \$50 million grant to FEMA to complement bond funding for this work.

The Pier 24 ½ to 28 ½ Bulkhead Wall and Wharf Earthquake Safety Retrofit Project is by the Bay Bridge has a high risk of collapse of the bulkhead. The age and conditions are challenging and the project is looking at simple retrofits that can reduce the risk of collapse to full replacement needs. There are four alternatives of this project.

The next steps are to complete pre-design this year for these projects and targeting construction for some of these projects in late 2024. The Living Seawall Project is moving forward as a pilot, looking at ecological enhancements of seawalls, has been installed in three locations with different types of materials.

The high-level schedule shows that work is in pre-design through mid-2024, will kick off detailed design and environmental approvals in the second half of this year, and expect to be bidding first construction project in mid-2024 with construction starting late 2024.

The U.S. Army Corps of Engineers San Francisco Waterfront Flood Resiliency Study is a waterfront study looking at major changes to the waterfront and reviewing alternatives. The draft adaptation strategies that are being considered include no action, non-structural (flood proofing and moving critical facilities), and different levels of sea level rise.

Carlos Colon presented the 2018 Proposition A Bond Annual Report to show \$425M overview of funding by category. Originally, \$40M had been budgeted for pilot projects but much of that spending will not occur and will be redistributed to other projects, such as pre-design and final design of the early projects identified. Once projects in this bond program complete final design, there will be a more details projects budget and scope overview.

The City has issued two bond sales totaling \$88,695,000. This program has also received a \$5M grant from the State, the SF Port has committed about \$9.5M and there's about \$9.9M from the American Rescue Plan Act (ARPA). To date, \$49.7M has been expended of the \$425M general

obligation bond.

Staff responded to questions from the Committee. Member Pantoja asked about the Ferry Building project and how the reliability effort is coordinated with seawall integrity. Steven Reel described the complexity of the Ferry Building project and that getting started in projects would make incremental improvements to overall sea level rise. There was clarification that the areas on the water was to be used for emergency gathering. Member Pantoja asked about the hope of collaborating with the Army Corps of Engineers. The program team was successful in getting an investigation study, which comes with 65% federal government, 35% local government funding. Army Corps lead the study, including cost-benefit analysis of certain strategies and investments. Generally, their experience is not in urban areas like San Francisco's waterfront. Member Pantoja noted that progress is happening and appreciates the movement so far.

Vice Chair Crawford asked questions about funding and timing of federal funds. Army Corps will submit a report which goes through various approvals and should reach Congress in 2025 or 2026. Funds that San Francisco can raise, whether private or through the State, would count towards the local 35%. The City has received \$6M of the \$9.9M ARPA funds. Schuyler Poh, Analyst working on funding, reported that it's unclear when or if the City will receive the \$50M FEMA grant, which is being submitted through Cal-OES for approvals. The State's \$5M funding came from Natural Resources in 2018.

Member Larkin asked about the Ferry Building project and the risks of the BART tunnel. Steven Reel reported that there isn't imminent risk to the tunnel and that BART has also evaluated that. Skylar Po reported that the FEMA grant was submitted with BART for the \$50M grant. The Port is the lead, BART is a co-applicant.

Member Sanderlin asked about the relative cost of the spider frame alternative to other seawall alternatives. Steven Reel reported that he doesn't have numbers yet but that it's more. When looking at the future, the spider frame is buying a new lease on life investment that is adaptable. The other alternatives work with what is already existing.

One public comment was submitted by phone.

- 5) Liaison Reports 2011 Road Repaving and Street Safety Bond Program and 2014 Transportation and Road Improvement Bond.** Chair Mathews provided a liaison report about the 2011 Road Repaving and Street Safety Bond Program, which is 98.9% spent to date and will be closed out soon. Member Larkin added an update that he spoke with Edmund Lee at Public Works to find out if there were any outstanding, either real or potential, construction claims on any of the projects in the program, to which the answer was no. Member Larkin also provided a liaison report on the 2014 Transportation and Road Improvement Bond spoke with Bree Mawhorter, the relatively new CFO/CAO at the SFMTA who provided a new format to the quarterly report focusing on percent complete of expenditures by project. For example, the Caltrain upgrade is 95% expended and 100% committed. In contrast, the accessibility improvements are only 10% expended. Earlier in the bond program, some Supervisors were complaining that bond funds were not being spent fast enough. Having this information on a quarterly basis should be helpful. However, the new format does not include as much information on the status of the projects. Member Larkin thinks risks and challenges are important to include. There are two contract changes listed in the quarterly report and Member Larkin has asked for more information and will report out at a future Committee hearing.

There was no public comment.

- 6) Opportunity for Committee members to comment or take action on any matters within the Committee's jurisdiction.**

**a. Audits Unit - Public Integrity Reviews**

Natasha Mihal, City Performance Director, reported for Mark de la Rosa. CSA Audits has no new Public Integrity-related updates since CGOBOC's February meeting. CSA Audits continues to work on two PI-related ongoing engagements with planned issuances in June 2023: (1) Audit of the City's Landfill Agreement and (2) SFPUC Public Integrity Assessment.

**b. CSA Division – Updates and Workplan**

Natasha Mihal reported that CSA Audits continues to work on a number of audits and assessments and is working with City Performance on the fiscal year 2023-24 work planning process. She also reported that City Performance will be issuing reports in the coming months. The City Survey was issued recently, and are about to issue a nonprofit wage and equity survey as well as the mandated streets and sideways standards report. City Performance is also undertaking work planning for FY24 and that both sides of CSA will start the fiscal year almost fully staffed. Priorities for CSA include getting back to pre-pandemic levels of service, how to support long-term budget structural issues in the City, and launching a 5-year homelessness assessment, project and audit portfolio.

**c. Public Finance – Upcoming Bond Issuances**

Anna Van Degna, Public Finance Director, reported on the upcoming new issuances for Health and Recovery Bond, Seawall and Affordable Housing Bonds. No other immediate financings, though in FY24 there will be an additional Health and Recovery issuance to fund HSH and DPH projects, and a potential for a PASS (preservation and seismic safety loan program) financing. Her team will also be monitoring interest rates for potential GO bond refunding. Ms. Van Degna responded that interest rates vary between taxable and tax exempt. Tax exempt rates were recently received at 3.5%, and just over 5% for taxable. In looking at entire forwardable, there are some on the tax exempt side that may be higher.

**d. CGOBOC - FY 2022-2023 Workplan, Liaison, and Meeting Dates**

The calendar was reviewed.

Member Larkin asked Ms. Mihal a question on cybersecurity that was mentioned earlier. She responded that CSA Audits has an ongoing program to do risk assessments and audits on the City's cybersecurity. Member Larkin also asked clarification on the homelessness plan. Ms. Mihal responded it will be a mix of audits and meaningful assessments. Member Gheen asked about CGOBOC membership and which vacancies still exist. Secretary Torre reported vacancies in Seat 3, a Board of Supervisors appointee who should be active in a community organization, Seat 5, a Controller appointee who should have finance experience, and Seat 7, a Mayor appointee who should be active in a business organization. Member Gheen asked about the wage and equity survey. Ms. Mihal described the report that surveyed nonprofits to review wages across positions across agencies, considering race and ethnicity in the analysis. Member Gheen asked about CSA staffing, which Ms. Mihal responded that it's about 74 FTE and that there will be about 4-5 vacancies. She reported that it takes 4-8 months to hire, and that City Performance is using a rarely used process to hire faster while a longer civil service process is taking place. Member Pantoja asked about Committee term limits. Secretary Torre reported that it's two two-year terms, and that members can be hold-overs. Chair Mathews requested having closer relationships with program managers and that Secretary Torre connect members to program managers by email. Chair Mathews mentioned that a future annual report will occur. Ms. Mihal reported that there will be a FY24 calendar at the next committee meeting.

There was one public comment by phone.

The meeting was adjourned by Chair Mathews at 10:46 am.

