



City and County of San Francisco
Meeting Minutes
Budget and Finance Committee

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Members: Mark Farrell, Katy Tang, Eric Mar, Norman Yee, Scott Wiener

Clerk: Linda Wong (415) 554-7719

Monday, June 15, 2015

10:00 AM

City Hall, Legislative Chamber, Room 250

Special Meeting

Present: 5 - Mark Farrell, Katy Tang, Eric Mar, Norman Yee, and Scott Wiener

MEETING CONVENED

Chair Mark Farrell convened the meeting at 10:07 a.m. Chair Farrell, Vice-Chair Tang, Member Yee, and Member Wiener were noted present. Member Mar was noted not present. There was a quorum.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

Member Mar was noted present at 10:45 a.m.

File Nos. 150132 and 150634 were heard together.

150132 [Hearing - Budget Updates]

Sponsor: Farrell

Hearing on the budget updates from the Mayor, the Controller, and the Budget and Legislative Analyst including balance, shortfalls, strengths, and additional revenues.

02/03/15; RECEIVED AND ASSIGNED to Budget and Finance Committee.

02/24/15; REFERRED TO DEPARTMENT. Referred to the Mayor's Office of Budget, Controller's Office, and Office of the Budget and Legislative Analyst for informational purposes.

03/11/15; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speakers: None.

06/10/15; CONTINUED. Heard in Committee. Speakers: None.

Heard in Committee. Speakers: Kate Howard (Mayor's Office); Ben Rosenfield, Controller (Office of the Controller); provided an overview and responded to questions raised throughout the discussion.

Member Mar, seconded by Vice-Chair Tang, moved that the Hearing be CONTINUED to June 18, 2015. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Mar, Yee

Excused: 1 - Wiener

150634 [Hearing - Controller's Revenue Letter - FYs 2015-2017]

Sponsor: Farrell

Hearing on the Controller's Revenue Letter for FYs 2015-2016 and 2016-2017.

06/09/15; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

06/10/15; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speakers: Kate Howard (Mayor's Office); Ben Rosenfield, Controller (Office of the Controller); provided an overview and responded to questions raised throughout the discussion.

Member Mar, seconded by Vice-Chair Tang, moved that this Hearing be FILED. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Mar, Yee

Excused: 1 - Wiener

The Budget and Finance Committee recessed at the hour of 12:30 p.m. and reconvened at the hour of 1:07 p.m. Upon reconvening, Supervisor Wiener was noted not present.

Supervisor Wiener Excused from Voting

Supervisor Mar, seconded by Vice Chair Tang, moved that Supervisor Wiener be excused from voting on File Nos. 150132, 150634, 150610, 150611, 150576, 150574, 150577, 150580, 150566, 150579, 150565, 150545, and 150546. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Mar, Yee

Excused: 1 - Wiener

File Nos. 150610 and 150611 were heard together.

150610 [Proposed Budget and Appropriation Ordinance for Departments - FYs 2015-2016 and 2016-2017]

Sponsor: Mayor

Proposed Budget and Appropriation Ordinance appropriating all estimated receipts and all estimated expenditures for Departments of the City and County of San Francisco as of June 1, 2015, for the FYs ending June 30, 2016, and June 30, 2017.

06/02/15; RECEIVED AND ASSIGNED to Budget and Finance Committee. 06/01/2015 - Received hard copy submission of AAO.

Heard in Committee. Speakers: Jose Cisneros, Treasurer/Tax Collector (Office of the Treasurer and Tax Collector); Carmen Chu, Assessor/Recorder (Office of the Assessor/Recorder); Michael Brown, Executive Officer (Civil Service Commission); Dennis Herrera, City Attorney (Office of the City Attorney); Teresa Sparks (Human Rights Commission); Emily Murase, Director (Department on the Status of Women); John St. Croix, Executive Director (Ethics Commission); John Arntz, Director (Department of Elections); Cynthia Goldstein, Director (Board of Appeals); Delene Wolf, Director (Rent Board); Catherine Dodd, Director (Health Service System); Micki Callahan, Director (Department of Human Resources); Deborah Raphael, Director (Department of the Environment); Todd Rufo, Director (Office of Economic and Workforce Development); John Rahaim, Director (Planning Department); Kate Howard, Budget Director (Mayor's Office); John Givner (City Attorney's Office); Kate Hartley (Mayor Office of Community Development); Harvey Rose (Office of the Budget & Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Member Mar, seconded by Member Yee, moved that this Ordinance be CONTINUED to June 17, 2015. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Mar, Yee

Excused: 1 - Wiener

150611 [Proposed Annual Salary Ordinance - FYs 2015-2016 and 2016-2017]**Sponsor: Mayor**

Proposed Annual Salary Ordinance enumerating positions in the Annual Budget and Appropriation Ordinance for the FYs ending June 30, 2016, and June 30, 2017, continuing, creating, or establishing these positions; enumerating and including therein all positions created by Charter or State law for which compensations are paid from City and County funds and appropriated in the Annual Appropriation Ordinance; authorizing appointments or continuation of appointments thereto; specifying and fixing the compensations and work schedules thereof; and authorizing appointments to temporary positions and fixing compensations therefore.

06/02/15; RECEIVED AND ASSIGNED to Budget and Finance Committee. 06/01/2015 - Received hard copy submission of ASO.

Heard in Committee. Speakers: Jose Cisneros, Treasurer/Tax Collector (Office of the Treasurer and Tax Collector); Carmen Chu, Assessor/Recorder (Office of the Assessor/Recorder); Michael Brown, Executive Officer (Civil Service Commission); Dennis Herrera, City Attorney (Office of the City Attorney); Teresa Sparks (Human Rights Commission); Emily Murase, Director (Department on the Status of Women); John St. Croix, Executive Director (Ethics Commission); John Arntz, Director (Department of Elections); Cynthia Goldstein, Director (Board of Appeals); Delene Wolf, Director (Rent Board); Catherine Dodd, Director (Health Service System); Micki Callahan, Director (Department of Human Resources); Deborah Raphael, Director (Department of the Environment); Todd Rufo, Director (Office of Economic and Workforce Development); John Rahaim, Director (Planning Department); Kate Howard, Budget Director (Mayor's Office); John Givner (City Attorney's Office); Kate Hartley (Mayor Office of Community Development); Harvey Rose (Office of the Budget & Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Member Mar, seconded by Member Yee, moved that this Ordinance be CONTINUED to June 17, 2015. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Mar, Yee

Excused: 1 - Wiener

150572 [Appropriation - Airport Commission - \$2,673,349 - FY2015-2016]**Sponsor: Mayor**

Ordinance appropriating \$2,673,349 to the Airport Commission amending estimated receipts and estimated expenditures in FY2015-2016.

(Fiscal Impact)

06/02/15; ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Cathy Widener (San Francisco International Airport); Harvey Rose (Office of the Budget & Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Vice-Chair Tang, seconded by Member Yee, moved that this Ordinance be RECOMMENDED to the July 14, 2015, Board of Supervisors meeting. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Yee, Wiener

Absent: 1 - Mar

File Nos. 150576, 150574, 150577, and 150580 were heard together.

150576 [Adjusting the Access Line Tax with the Consumer Price Index of 2015]

Sponsor: Mayor

Resolution concurring with the Controller's establishment of the Consumer Price Index for 2015 and adjusting the Access Line Tax by the same rate.

06/02/15; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Ben Rosenfield, Controller (Office of the Controller); provided an overview and responded to questions raised throughout the discussion.

Vice-Chair Tang, seconded by Member Mar, moved that this Resolution be CONTINUED to June 24, 2015. The motion carried by the following vote:

Ayes: 5 - Farrell, Tang, Mar, Yee, Wiener

Member Mar, seconded by Vice-Chair Tang, moved to RESCIND the previous vote. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Mar, Yee

Excused: 1 - Wiener

Vice-Chair Tang, seconded by Member Mar, moved that this Resolution be RECOMMENDED to the July 14, 2015, Board of Supervisors meeting. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Mar, Yee

Excused: 1 - Wiener

150574 [Neighborhood Beautification and Graffiti Clean-up Fund Tax Designation Ceiling]

Sponsor: Mayor

Ordinance adopting the Neighborhood Beautification and Graffiti Clean-up Fund Tax designation ceiling for tax year 2015.

06/02/15; ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Ben Rosenfield, Controller (Office of the Controller); provided an overview and responded to questions raised throughout the discussion.

Vice-Chair Tang, seconded by Member Mar, moved that this Ordinance be CONTINUED to June 24, 2015. The motion carried by the following vote:

Ayes: 5 - Farrell, Tang, Mar, Yee, Wiener

Member Mar, seconded by Vice-Chair Tang, moved to RESCIND the previous vote. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Mar, Yee

Excused: 1 - Wiener

Vice-Chair Tang, seconded by Member Mar, moved that this Resolution be RECOMMENDED to the July 14, 2015, Board of Supervisors meeting. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Mar, Yee

Excused: 1 - Wiener

150577 [Designation of Hinderliter, de Llamas, and Associates as the City's Authorized Representative in Sales and Use Tax Records Examination]**Sponsor: Mayor**

Resolution designating Hinderliter, de Llamas, and Associates as the City and County of San Francisco's authorized representative in sales and use tax records examination.
(Fiscal Impact; No Budget and Legislative Analyst Report.)

06/02/15; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Ben Rosenfield, Controller (Office of the Controller); provided an overview and responded to questions raised throughout the discussion.

Vice-Chair Tang, seconded by Member Mar, moved that this Resolution be CONTINUED to June 24, 2015. The motion carried by the following vote:

Ayes: 5 - Farrell, Tang, Mar, Yee, Wiener

Member Mar, seconded by Vice-Chair Tang, moved to RESCIND the previous vote. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Mar, Yee

Excused: 1 - Wiener

Vice-Chair Tang, seconded by Member Mar, moved that this Resolution be RECOMMENDED to the July 14, 2015, Board of Supervisors meeting. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Mar, Yee

Excused: 1 - Wiener

150580 [Proposition J Contract Certification Specified Contracted-Out Services Previously Approved]**Sponsor: Mayor**

Resolution concurring with the Controller's certification that services previously approved can be performed by private contractors for a lower cost than similar work performed by City and County employees, for the following services: Budget Analyst (Board of Supervisors); citywide custodial services (excluding City Hall), citywide security services, central shops security, and convention facilities management (General Services Agency-City Administrator); mainframe system support (General Services Agency-Technology); security services (Human Services Agency); food services for jail inmates (Sheriff); assembly of vote-by-mail envelopes (Department of Elections); security services-1680 Mission Street and security services-30 Van Ness Avenue (General Services Agency-Public Works).

06/02/15; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speaker: Ben Rosenfield, Controller (Office of the Controller); provided an overview and responded to questions raised throughout the discussion.

Vice-Chair Tang, seconded by Member Mar, moved that this Resolution be CONTINUED to June 24, 2015. The motion carried by the following vote:

Ayes: 5 - Farrell, Tang, Mar, Yee, Wiener

Member Mar, seconded by Vice-Chair Tang, moved to RESCIND the previous vote. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Mar, Yee

Excused: 1 - Wiener

Vice-Chair Tang, seconded by Member Mar, moved that this Resolution be RECOMMENDED to the July 14, 2015, Board of Supervisors meeting. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Mar, Yee

Excused: 1 - Wiener

150566 [Administrative Code - California Environmental Quality Act Procedures and Fees]**Sponsor: Mayor**

Ordinance amending the Administrative Code to eliminate the Installment Agreement Processing Fee and Refund Processing Fee from the California Environmental Quality Act procedures and fees.

06/02/15; ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: None.

Member Mar, seconded by Vice-Chair Tang, moved that this Ordinance be RECOMMENDED to the July 14, 2015, Board of Supervisors meeting. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Mar, Yee

Excused: 1 - Wiener

150579 [Certificates of Participation - Housing Trust Fund - Reimbursement of Certain Expenditures]**Sponsor: Mayor**

Resolution declaring the intent of the City and County of San Francisco to reimburse certain expenditures from proceeds of future bonded indebtedness.

(Fiscal Impact; No Budget and Legislative Analyst Report.)

06/02/15; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: None.

Vice-Chair Tang, seconded by Member Mar, moved that this Resolution be RECOMMENDED to the July 14, 2015, Board of Supervisors meeting. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Mar, Yee

Excused: 1 - Wiener

File Nos. 150573 and 150575 were heard together.

150573 [Annual Appropriation Ordinance Amendment - Public Utilities Commission Operating Budget - \$2,177,552 - FY2015-2016]

Sponsor: Mayor

Ordinance amending Ordinance No. 146-14 (Annual Appropriation Ordinance FYs 2014-2015 and 2015-2016) by de-appropriating \$2,177,552 from fringe benefits, non-personnel services, services of other departments, and general reserve and re-appropriating funds to permanent salaries, City grant programs, capital outlay, and overhead in the Public Utilities Commission operating budgets in FY2015-2016.

(Fiscal Impact)

06/02/15; ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Harlan Kelly, General Manager (Public Utilities Commission); Harvey Rose (Office of the Budget & Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Vice-Chair Tang, seconded by Member Wiener, moved that this Ordinance be RECOMMENDED to the July 14, 2015, Board of Supervisors meeting. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Yee, Wiener

Absent: 1 - Mar

150575 [Public Employment - Annual Salary Ordinance Amendment - Public Utilities Commission Water Enterprise Department - FYs 2015-2016 and 2016-2017]

Sponsor: Mayor

Ordinance amending Ordinance No. 147-14 (Annual Salary Ordinance FYs 2014-2015 and 2015-2016) to reflect the addition of 5.0 off budget positions (5.00 FTEs) in Class 7355 (1.00 FTE, Truck Driver), 7388 (2.00 FTEs, Utility Plumber), and 7463 (2.00 FTEs, Utility Plumber Apprentice) in the Public Utilities Commission Water Enterprise Department in FYs 2015-2016 and 2016-2017.

(Fiscal Impact)

06/02/15; ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Harlan Kelly, General Manager (Public Utilities Commission); Harvey Rose (Office of the Budget & Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Vice-Chair Tang, seconded by Member Wiener, moved that this Ordinance be RECOMMENDED to the July 14, 2015, Board of Supervisors meeting. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Yee, Wiener

Absent: 1 - Mar

File Nos. 150506 and 150491 were heard together.

150506 [Hearing - Reserved Funds - Public Utilities Commission - Community Choice Aggregation Program - \$2,200,000]

Hearing to consider the release of reserved funds, Public Utilities Commission (File No. 111371, Ordinance No. 200-12) in the amount of \$2,200,000 for the Community Choice Aggregation Program. (Public Utilities Commission)

05/11/15; RECEIVED FROM DEPARTMENT.

05/15/15; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

06/10/15; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speakers: Barbara Hale (Public Utilities Commission); Harvey Rose (Office of the Budget & Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Vice-Chair Tang, moved seconded by Member Yee, moved to RELEASE \$1,820,799 of the \$2,200,000 on Budget and Finance Committee Reserve, and place the remaining balance of \$379,201 on Controller's Reserve, pending the filing of the vacant positions for the CCA Program. The motion for this Hearing to be HEARD AND FILED carried by the following vote:

Ayes: 4 - Farrell, Tang, Yee, Wiener

Absent: 1 - Mar

150491 [Appropriation - Hetch Hetchy Power Enterprise's Fund Balance to Implement the Community Choice Aggregation Program - \$4,000,000 - FY2014-2015]

Sponsors: Mayor; Breed, Avalos and Christensen

Ordinance appropriating \$4,000,000 from the FY2014-2015 Hetch Hetchy Power Enterprise's fund balance to provide short-term working capital needed for the initial start-up of the Community Choice Aggregation Program.

(Fiscal Impact)

05/12/15; ASSIGNED to Budget and Finance Sub-Committee. 5/12/2015 - President Breed waived the 30-day rule.

06/10/15; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speakers: Barbara Hale (Public Utilities Commission); Harvey Rose (Office of the Budget & Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Vice Chair Tang, seconded by Supervisor Yee, moved that this Ordinance be AMENDED on Page 2, Lines 21-23, by adding 'Section 3: \$4,000,000 of the appropriation is hereby placed on Controller's Reserve, Release of appropriation reserves by the Controller is subject to the energy procurement funding needs.'; and Page 3, Line 1, by changing '3' to '4'. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Yee, Wiener

Absent: 1 - Mar

(Fiscal Impact)

Vice Chair Tang, seconded by Supervisor Yee, moved that this Ordinance be RECOMMENDED AS AMENDED. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Yee, Wiener

Absent: 1 - Mar

150565 [Office of Community Investment and Infrastructure, Operating as Successor Agency to the San Francisco Redevelopment Agency FY2015-2016 Budget - Bond Issuance Not to Exceed \$51,000,000]

Sponsor: Mayor

Resolution approving the FY2015-2016 Budget of the Office of Community Investment and Infrastructure (OCII), operating as the Successor Agency to the San Francisco Redevelopment Agency; and approving the Issuance by OCII of Bonds in an aggregate principal amount not to exceed \$51,000,000 for the purpose of financing a portion of enforceable obligations. (Fiscal Impact)

06/02/15; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Tiffany Bohee, Director (Office of Community Investment and Infrastructure); Harvey Rose (Office of the Budget & Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Vice-Chair Tang, seconded by Member Mar, moved that this Resolution be CONTINUED to June 22, 2015. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Mar, Yee

Excused: 1 - Wiener

File Nos. 150545 and 150546 were heard together.

150545 [Cost of Living Adjustment to the Contract for Budget and Legislative Analyst Services - FYs 2015-2016 and 2016-2017]

Motion to consider enacting a 3.25% cost of living adjustment (COLA) to the current \$2,060,000 contract for Budget and Legislative Analyst Services, to be effectuated no earlier than October 1, 2015, resulting in a 2.44%, or \$50,213 increase to the contract in FY2015-2016 to be annualized to the full 3.25%, or \$66,950 in FY2016-2017; and directing the Clerk of the Board to take all necessary administrative actions to amend the contract accordingly. (Clerk of the Board)

06/02/15; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

06/10/15; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speakers: Angela Calvillo, Clerk of the Board (Board of Supervisors); Jon Givner (City Attorney's Office); provided an overview and responded to questions raised throughout the discussion.

Member Mar, seconded by Member Yee, moved that this Motion be RECOMMENDED to the July 14, 2015, Board of Supervisors meeting. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Mar, Yee

Excused: 1 - Wiener

150546 [Directing and Authorizing the Clerk of the Board to Engage in Contract Negotiations for Radio Broadcast Services with KPOO FM for a Total Not-to-Exceed Annual Contract Amount of \$75,000]

Hearing to consider the process and outcome of Request for Qualifications No. 01-2015 for Radio Broadcast Services and directing and authorizing the Clerk of the Board to engage in contract negotiations with the pre-qualified vendor. (Clerk of the Board)

06/02/15; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

06/10/15; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speakers: Harvey Rose (Office of the Budget & Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Member Mar, seconded by Member Yee, moved that this Hearing be PREPARED IN COMMITTEE AS A MOTION. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Mar, Yee

Excused: 1 - Wiener

Motion to direct and authorize the Clerk of the Board to engage in contract negotiations with KPOO FM, the pre-qualified vendor resulting from Request for Qualifications No. 01-2015 for Radio Broadcast Services, for a total not-to-exceed annual contract amount of \$75,000 and, pending the successful outcome of those negotiations, to designate KPOO FM as the official broadcaster of the San Francisco Board of Supervisors regular and special meetings. (Clerk of the Board)

Member Mar, seconded by Member Yee, moved that this Motion be CONTINUED to June 22, 2015. The motion carried by the following vote:

Ayes: 4 - Farrell, Tang, Mar, Yee

Excused: 1 - Wiener

ADJOURNMENT

The meeting adjourned at 4:34 p.m.

N.B. The Minutes of this meeting set forth all actions taken by the Budget and Finance Committee on the matters stated, but not necessarily in the chronological sequence in which the matters were taken up.