

FILE NO. 990747

RESOLUTION NO. 524-99

1 [San Francisco Affinity Phone Card]  
2 AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO A SECOND AMENDMENT  
3 TO OPERATING AND LICENSING AGREEMENT FOR THE SAN FRANCISCO AFFINITY  
4 PHONE CARD PROGRAM.

5 WHEREAS, On May 20, 1996, the Board of supervisors approved an Operating and  
6 Licensing Agreement, by and between the City and Winston Taylor, Inc. ("Operator")  
7 regarding the sale of Official San Francisco Phone Cards, as amended by that certain First  
8 Amendment to Operating and licensing Agreement, dated June 2, 1997 (as amended, the  
9 "Agreement"); and,

10 WHEREAS, Under the Agreement, among other things, the City receives 20% of the  
11 revenue generated from the re-charging or re-use of S.F. Phone Cards ("Recharge  
12 Revenue"); and,

13 WHEREAS, That City and Operator have determined that in order to generate greater  
14 Recharge Revenue from the San Francisco Affinity Phone Card Program it will be necessary  
15 to reduce the rate charged by Operator on post-paid calling cards; and,

16 WHEREAS, Pursuant to the Second Amendment to Operating and Licensing  
17 Agreement, in substantially the form of the Second amendment filed herewith with the Clerk of  
18 the Board in File No. 990747 (the "Second Amendment"), the rate for post-paid calling  
19 cards will not exceed 19 cents a minute without the prior approval of the City, and City's  
20 royalty percentage of Recharge Revenues from such post-paid calling cards is reduced from  
21 20% to 10-14%; and,

22 WHEREAS, The Second Amendment also clarifies certain expiration dates regarding  
23 the Operator's and the City's rights to mutually extend the term of the Agreement; and,  
24  
25

SUPERVISOR BIERMAN  
BOARD OF SUPERVISORS

1           WHEREAS, The Second Amendment requires the Operator to fund a cooperative  
2 marketing fund to be administered by the City, the Operator and the San Francisco Visitors  
3 and Convention Bureau of up to 5% of gross revenues

4           WHEREAS, By entering into the Second Amendment, the City hopes to realize the  
5 opportunity to increase the total revenues paid to City pursuant to the San Francisco Affinity  
6 Phone Card Program; now, therefore, be it

7           RESOLVED, That the Board hereby approves the Second Amendment and authorizes  
8 the City Administrator to enter into the Second Amendment, in substantially the form attached  
9 hereto and in a form approved by the City Attorney.

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Recommended:

  
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Steve Nelson, Director  
Department of Administrative Services



City and County of San Francisco

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

Tails  
Resolution

File Number: 990747

Date Passed:

Resolution authorizing the City Administrator to enter into a Second Amendment to operating the Licensing Agreement for the San Francisco Affinity Phone Card Program.

June 1, 1999 Board of Supervisors — ADOPTED

Ayes: 11 - Ammiano, Becerril, Bierman, Brown, Katz, Kaufman, Leno, Newsom, Teng, Yaki, Yee

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I hereby certify that the foregoing Resolution was ADOPTED on June 1, 1999 by the Board of Supervisors of the City and County of San Francisco.

JUN 11 1999

Date Approved

Gloria L. Young  
Clerk of the Board

Mayor Willie L. Brown Jr.