

File No. 131122

Committee Item No. 3

Board Item No. \_\_\_\_\_

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Sub-Committee

Date March 25, 2015

Board of Supervisors Meeting

Date \_\_\_\_\_

#### Cmte Board

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| <input type="checkbox"/>            | <input type="checkbox"/> | Motion                                       |
| <input type="checkbox"/>            | <input type="checkbox"/> | Resolution                                   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Ordinance                                    |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Legislative Digest                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/> | Youth Commission Report                      |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Introduction Form                            |
| <input type="checkbox"/>            | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/> | MOU  |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Subcontract Budget                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/> | Public Correspondence                        |

OTHER (Use back side if additional space is needed)

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Completed by: Linda Wong Date March 20, 2015  
Completed by: \_\_\_\_\_ Date \_\_\_\_\_

1 [Administrative Code - Retiree Health Care Trust Fund]

2  
3 **Ordinance amending the Administrative Code to identify members of the Retiree Health**  
4 **Care Trust Fund Board as City officers; provide the members with health insurance**  
5 **coverage through the San Francisco Health Service System; and exclude Retiree**  
6 **Health Care Trust Fund contracts from the Administrative Code, Section 21.02,**  
7 **definition of services.**

8 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.  
9 **Additions to Codes** are in *single-underline italics Times New Roman font*.  
10 **Deletions to Codes** are in ~~*striketrough italics Times New Roman font*~~.  
11 **Board amendment additions** are in double-underlined Arial font.  
12 **Board amendment deletions** are in ~~striketrough Arial font~~.  
13 **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code  
14 subsections or parts of tables.

15 Be it ordained by the People of the City and County of San Francisco:

16 Section 1. The Administrative Code is hereby amended by revising Sections 1.50,  
17 16.700 and 21.02 to read as follows:

18 **SEC. 1.50. OFFICERS OF THE CITY AND COUNTY.**

19 The officers of the City and County shall be the officers elected by vote of the people,  
20 members of the Board of Education, members of boards and commissions appointed by the  
21 Mayor and the Board of Supervisors, members of the Building Inspection Commission,  
22 members of the Ethics Commission, members of the Elections Commission, members of the  
23 Retirement Board, members of the Health Service Board, members of the Retiree Health Care  
24 Trust Fund Board, members of the Sunshine Ordinance Task Force, members of the Youth  
25 Commission, members of the Small Business Commission, members of the Board of Law  
Library Trustees, the Superintendent of Schools, the executive appointed as the chief  
executive officer under each board or commission, the Controller, the City Administrator, the

1 head of each department under the Mayor, and such other officers as may hereafter be  
2 provided by law or so designated by Ordinance.

3 **SEC. 16.700. PARTICIPATION.**

4 The following shall be eligible to participate in the Health Service System:

5 (a) City and County employees.

6 (1) All permanent employees of the City and County of San Francisco whose  
7 normal work week at the time of inclusion is the system in not less than twenty (20) hours;

8 (2) All regularly scheduled provisional employees of the City and County of San  
9 Francisco whose normal work week at the time of inclusion in the system is not less than  
10 twenty (20) hours;

11 (3) All other employees of the City and County of San Francisco, including "as  
12 needed" employees, who have worked one thousand and forty hours (1040) in any  
13 consecutive twelve (12) month period and whose normal work week at the time of inclusion in  
14 the system is not less than twenty (20) hours.

15 (b) Elected officials.

16 (c) All members of the following boards and commissions during their time in service to  
17 the City and County of San Francisco:

18 \* \* \*

19 (35) Retiree Health Care Trust Fund Board

20 (35~~6~~) Retirement Board

21 (36~~7~~) Small Business Commission

22 (37~~8~~) Sunshine Ordinance Task Force

23 ~~(38) Taxi Commission~~

24 (39) War Memorial and Performing Arts Center Board

25 (40) Youth Commission

1 (d) All officers and employees as determined eligible by the Board of Education of the  
2 San Francisco Unified School District.

3 (e) All officers and employees as determined eligible by the Governing Board of the  
4 San Francisco Community College District.

5 (f) All officers and employees as determined eligible by the governing bodies of the  
6 San Francisco Transportation Authority, San Francisco Parking Authority, San Francisco  
7 Redevelopment Agency, Treasure Island Development Authority, San Francisco Superior  
8 Court and any other employees as determined eligible by ordinance.

9 (g) All retirees, surviving spouses, surviving domestic partners and resigned  
10 employees. For the purposes of this Chapter, resigned employees shall have the same  
11 meaning as used in Section A8.425 of the Charter.

12 (h) All dependents of the foregoing categories as they are determined eligible by the  
13 appropriate governing body.

14 **SEC. 21.02. DEFINITIONS.**

15 As used in this Chapter the following words shall have the following respective  
16 meanings:

17 ~~(a)~~ "Bid" shall mean a bid, quotation, or other offer, other than a Proposal, from a  
18 person or entity to sell a Commodity or Service to the City at a specified price.

19 ~~(b)~~ "Bidder" shall mean any person or entity which submits a Bid.

20 ~~(c)~~ "City" shall mean the City and County of San Francisco.

21 ~~(d)~~ "Code" or "this Code" shall mean the most current version of the San Francisco  
22 Charter and the San Francisco Municipal Code.

23 ~~(e)~~ "Commodity" shall mean products, including materials, equipment and supplies,  
24 purchased by the City. "Commodity" shall specifically exclude legal and litigation related  
25 contracts or contracts entered into pursuant to settlement of legal proceedings, and employee

1 benefits, including, without limitation, health plans, retirement or deferred compensation  
2 benefits, insurance and flexible accounts, provided by or through the City's Human Resources  
3 Department or the Retirement Board.

4 ~~(g)~~-"Contractor" shall mean any corporation, partnership, individual, sole proprietorship,  
5 joint venture or other legal entity which enters into a contract to sell Commodities or Services  
6 to the City.

7 ~~(g)~~-"Contracting Officer" shall mean the City employee who is authorized to execute a  
8 contract, which may be either the Department head or a person designated in writing by the  
9 Department head, board or commission as having the authority to sign contracts for the  
10 Department. A designation of authority to sign contracts on behalf of a Department may  
11 specify authority to sign a single contract, specified classes of contracts, or all contracts  
12 entered into by a Department.

13 ~~(h)~~-"Electronic" shall mean electrical, digital, magnetic, optical, electromagnetic or  
14 other similar technology for conveying documents or authorizations, excluding facsimile.

15 ~~(i)~~-"General Services" shall mean those services that are not Professional Services.  
16 General Services include, but are not limited to, janitorial, security guard, pest control, parking  
17 lot management, and landscaping services.

18 ~~(j)~~-"Minimum Competitive Amount" shall mean (i) for the procurement of Commodities  
19 and Professional Services, the "Minimum Competitive Amount" as defined in Section 6.40(A)  
20 of the Administrative Code, which shall be \$100,000 and (ii) for the procurement of General  
21 Services, an amount equivalent to the "Threshold Amount" as defined in Chapter 6.1(M) of the  
22 Administrative Code which shall be \$400,000, provided that on January 1, 2015 and every five  
23 years thereafter, the Controller shall recalculate the Minimum Competitive Amount (and the  
24 Threshold Amount from which the Minimum Competitive Amount for General Services is  
25

1 calculated) to reflect any proportional increase in the Urban Regional Consumer Price Index  
2 from January 1, 2010, rounded to the nearest \$1,000.

3 ~~(f)~~ "Offer" shall mean a Bid or Proposal submitted to the City in response to an  
4 invitation for Bids or a Request for Proposals. "Offer" may include a response to a request for  
5 qualifications if no further ranking prior to Contractor selection is contemplated by the  
6 procurement process.

7 ~~(g)~~ "Offeror" shall mean a person or entity that submits an Offer to the City to provide  
8 Commodities or Services.

9 ~~(h)~~ "Professional Services" shall mean those services which require extended  
10 analysis, the exercise of discretion and independent judgment in their performance, and/or the  
11 application of an advanced, specialized type of knowledge, expertise, or training customarily  
12 acquired either by a prolonged course of study or equivalent experience in the field.

13 Professional service providers include, but are not limited to, licensed professionals such as  
14 architects, engineers, and accountants, and non-licensed professionals such as software  
15 developers and financial consultants.

16 ~~(i)~~ "Proposal" shall mean a response to a request for Proposals issued by the City for  
17 Commodities or Services, or a response to a request for qualifications if no further ranking  
18 prior to Contractor selection is contemplated by the procurement process.

19 ~~(j)~~ "Proposer" shall mean a person or entity that submits a Proposal in response to a  
20 request for Proposals issued by the City.

21 ~~(k)~~ "Purchase Order" shall mean an authorization document designated as such by the  
22 Purchaser for the procurement of Commodities or Services, whether issued in a paper or  
23 electronic format, including blanket purchase orders for purchases involving multiple  
24 payments.

1           ~~(g)~~ "Purchaser" shall mean the Purchaser of Commodities or Services of the City and  
2 County of San Francisco, or his or her designee(s).

3           ~~(h)~~ "Quotation" shall mean an Offer to supply Commodities or Services to the City for a  
4 specified price (and possibly subject to other terms and conditions) which is acquired without  
5 the use of advertising to solicit Bids.

6           ~~(i)~~ "Services" shall mean Professional Services and General Services. "Services" shall  
7 specifically exclude grants to a nonprofit entity to provide services to the community, which  
8 may include incidental purchases of commodities; legal and litigation related services or  
9 contracts entered into pursuant to settlement of legal proceedings; and services related to  
10 employee benefits, including, without limitation, health plans, retirement or deferred  
11 compensation benefits, insurance and flexible accounts, provided by or through the San  
12 Francisco Health Service System, ~~or~~ the Retirement Board or the Retiree Health Care Trust  
13 Fund.

14           ~~(j)~~ "Solicitation" shall mean an invitation for Bids, request for Quotations, request for  
15 qualifications, or request for Proposals issued by the City for the purpose of soliciting Bids,  
16 Quotations, or Proposals to perform a City contract.

17           ~~(k)~~ "Technology Store" shall mean the City-wide, multiple award contract for the  
18 procurement of certain Commodities and Services awarded pursuant to the "Request for  
19 Proposal for Computer Hardware, Software, Peripherals and Appropriate Network,  
20 Consulting, Maintenance, Training and Support Services," and any successor contracts  
21 thereto.

22  
23           Section 2. Effective Date. This ordinance shall become effective 30 days after  
24 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
25

1 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
2 of Supervisors overrides the Mayor's veto of the ordinance.

3  
4 Section 3. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors  
5 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,  
6 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal  
7 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment  
8 additions, and Board amendment deletions in accordance with the "Note" that appears under  
9 the official title of the ordinance.

10  
11 APPROVED AS TO FORM:  
12 DENNIS J. HERRERA, City Attorney

13 By: Erik A. Rapoport  
14 ERIK A. RAPOPORT  
15 Deputy City Attorney

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**LEGISLATIVE DIGEST**

[Administrative Code - Retiree Health Care Trust Fund]

**Ordinance amending the Administrative Code to identify members of the Retiree Health Care Trust Fund Board as City officers; to provide the members with health insurance coverage through the San Francisco Health Service System; and to exclude Retiree Health Care Trust Fund contracts from the Administrative Code, Section 21.02, definition of services.**

Existing Law

Charter Section 12.202 states that members of the San Francisco Health Service System (Health Service System) shall consist of all officers and permanent employees of the City and County, the Unified School District, the Community College District, and such other officers, employees, dependents and retirees as provided by ordinance. Administrative Code 16.700 lists the City boards and commissions for which the Health Service System provides subsidized health insurance coverage.

Administrative Code Section 1.50 defines who is a City officer.

Administrative Code Chapter 21 governs the acquisition of goods and services for City contracts. Section 21.02 defines the scope of services covered and excludes services related to employee benefits, including health plans, retirement or deferred compensation benefits, insurance and flexible accounts, provided by or through the Health Service System or the San Francisco Employees' Retirement System Board (Retirement Board).

Amendments to Current Law

This Ordinance amends the Administrative Code to:

- Define members of the Retiree Health Care Trust Fund Board as City officers.
- Provide members of the Retiree Health Care Trust Fund Board with health insurance coverage through the Health Service System.
- Confirm that Retiree Health Care Trust Fund contracts for goods and services are excluded from the Chapter 21 definition of services in the same manner that contracts with the Health Service System and the Retirement Board are excluded.

Background Information

In 2009, the voters passed Proposition B which established the Retiree Health Care Trust Fund to fund the City's, the Unified School District's and the Community College District's retiree health care costs. This Ordinance revises the Administrative Code to ensure that the Retiree Health Care Trust Fund is treated similarly to the Health Service System and the Retirement Board with respect to City contracting and health insurance coverage.

Print Form

# Introduction Form

By a Member of the Board of Supervisors or the Mayor

Time stamp  
or meeting date

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee.  
An ordinance, resolution, motion, or charter amendment.
- 2. Request for next printed agenda without reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning "Supervisor [ ] inquires"
- 5. City Attorney request.
- 6. Call File No. [ ] from Committee.
- 7. Budget Analyst request (attach written motion).
- 8. Substitute Legislation File No. [ ]
- 9. Request for Closed Session (attach written motion).
- 10. Board to Sit as A Committee of the Whole.
- 11. Question(s) submitted for Mayoral Appearance before the BOS on [ ]

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission       Youth Commission       Ethics Commission
- Planning Commission       Building Inspection Commission

**Note: For the Imperative Agenda (a resolution not on the printed agenda), use a Imperative**

**Sponsor(s):**

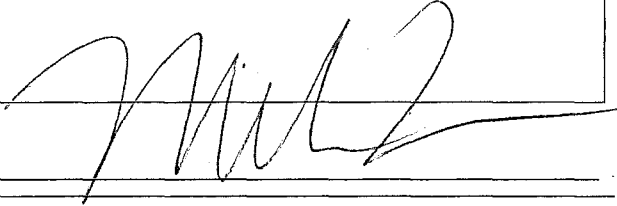
Supervisor Mark Farrell

**Subject:**

Ordinance amending the Retiree Healthcare Trust Fund.

**The text is listed below or attached:**

Attached.

Signature of Sponsoring Supervisor: 

For Clerk's Use Only:

13/1/22

