



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: Carmen Chu, John Avalos, Jane Kim, Malia Cohen, Scott Wiener

Clerk: Victor Young (415) 554-7723

Thursday, May 24, 2012

10:00 AM

City Hall, Legislative Chamber, Room 250

Special Meeting

Present: 5 - Carmen Chu, John Avalos, Jane Kim, Malia Cohen, and Scott Wiener

MEETING CONVENED

The meeting convened at 10:12 a.m.

REGULAR AGENDA

120426 [Proposed Budget and Annual Appropriation Ordinance for Selected Departments, as of May 1, 2012, FYs Ending June 30, 2013, and June 30, 2014]

Sponsor: Mayor

Proposed Budget and Annual Appropriation Ordinance appropriating all estimated receipts and all estimated expenditures for Selected Departments of the City and County of San Francisco as of May 1, 2012, for the FYs ending June 30, 2013, and June 30, 2014.

(Fiscal Impact)

05/01/12; RECEIVED AND ASSIGNED to Budget and Finance Committee.

05/23/12; CONTINUED. Heard in Committee. Speakers: Kate Howard (Mayor's Office); John Martin, Director; and Julie Dawson (San Francisco International Airport); Harvey Rose (Budget and Legislative Analyst); Cheryl Adams (City Attorney's Office); Monique Moyer, Director and Elaine Forbes (San Francisco Port); Amy Lee; Cynthia Goldstein (Board of Appeals); Delena Wolf, Executive Director (Rent Board); provided an overview and responded to questions raised throughout the discussion.

Continued to May 24, 2012.

Heard in Committee. Speakers: Ed Harrington - General Manager, Female Speaker, Harlan Kelly, Todd Rydstrom, and Steve Richardson (SF Public Utilities Commission); Melanie Nutter, Director (Department of the Environment); John Updike, Acting Director (Real Estate); Monique Zmuda (Controller's Office); Ed Reiskin, Director (Municipal Transportation Agency); Harvey Rose (Budget and Legislative Analyst's Office); provided information on the matter. Regina Mullen; Eric Brooks; Joshua Arce; Rev. Cecil Williams; Terry Harper; Curtis Bradford; Rev. Amos Brown; Rev. Robert Lucas; Ms. Netford; Male Speaker; Terry Harper; Barbara; Walter Paulson; spoke on the budget of selected departments.

CONTINUED TO CALL OF THE CHAIR by the following vote:

Ayes: 5 - Chu, Avalos, Kim, Cohen, Wiener

120427 [Proposed Annual Salary Ordinance for Selected Departments, FYs Ending June 30, 2013, and June 30, 2014]**Sponsor: Mayor**

Proposed Annual Salary Ordinance enumerating positions in the Annual Budget and Appropriation Ordinance for Selected Departments of the City and County of San Francisco for the FYs ending June 30, 2013, and June 30, 2014.

(Fiscal Impact)

05/01/12; RECEIVED AND ASSIGNED to Budget and Finance Committee.

05/23/12; CONTINUED. Heard in Committee. Speakers: Kate Howard (Mayor's Office); John Martin, Director; and Julie Dawson (San Francisco International Airport); Harvey Rose (Budget and Legislative Analyst); Cheryl Adams (City Attorney's Office); Monique Moyer, Director and Elaine Forbes (San Francisco Port); Amy Lee; Cynthia Goldstein (Board of Appeals); Delena Wolf, Executive Director (Rent Board); provided an overview and responded to questions raised throughout the discussion.

Continued to May 24, 2012.

Heard in Committee. Speakers: Ed Harrington - General Manager, Female Speaker, Harlan Kelly, Todd Rydstrom, and Steve Richardson (SF Public Utilities Commission); Melanie Nutter, Director (Department of the Environment); John Updike, Acting Director (Real Estate); Monique Zmuda (Controller's Office); Ed Reiskin, Director (Municipal Transportation Agency); Harvey Rose (Budget and Legislative Analyst's Office); provided information on the matter. Regina Mullen; Eric Brooks; Joshua Arce; Rev. Cecil Williams; Terry Harper; Curtis Bradford; Rev. Amos Brown; Rev. Robert Lucas; Ms. Netford; Male Speaker; Terry Harper; Barbara; Walter Paulson; spoke on the budget of selected departments.

CONTINUED TO CALL OF THE CHAIR by the following vote:

Ayes: 5 - Chu, Avalos, Kim, Cohen, Wiener

120437 [Proposition J Contract/Certification of Specified Contracted-Out Services Previously Approved for Enterprise Departments]**Sponsor: Mayor**

Resolution concurring with the Controller's certification that services previously approved can be performed by private contractor for a lower cost than similar work performed by City and County employees for the following services for FY2012-2013 and FY2013-2014: employee and public parking management, information booth, security, and shuttle bus services (Airport); paratransit, security, parking citation and collection, meter collection and coin counting, towing, and transit shelter maintenance services (Municipal Transportation Agency); janitorial and security services (Port); security services (Public Utilities Commission).

05/01/12; RECEIVED AND ASSIGNED to Budget and Finance Committee.

05/23/12; CONTINUED. Heard in Committee. Speakers: Kate Howard (Mayor's Office); John Martin, Director; and Julie Dawson (San Francisco International Airport); Harvey Rose (Budget and Legislative Analyst); Cheryl Adams (City Attorney's Office); Monique Moyer, Director and Elaine Forbes (San Francisco Port); Amy Lee; Cynthia Goldstein (Board of Appeals); Delena Wolf, Executive Director (Rent Board); provided an overview and responded to questions raised throughout the discussion.

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RECOMMENDED by the following vote:

Ayes: 5 - Chu, Avalos, Kim, Cohen, Wiener

120428 [Appropriating \$587,756,000 for Wastewater Capital Improvements at the Public Utilities Commission for FY2012-2013 and FY2013-2014]**Sponsor: Mayor**

Ordinance appropriating \$587,756,000 of proceeds from revenue bonds, wastewater revenue, state grants, and bond interest income for the San Francisco Public Utilities Commission (SFPUC) Wastewater Enterprise's Capital Improvement Program, comprised of \$299,402,000 for FY2012-2013, and \$288,354,000 for FY2013-2014, and placing applicable appropriations by project on Controller's reserve subject to SFPUC's and Board of Supervisors' discretionary approval following completion of project-related analysis pursuant to the California Environmental Quality Act, where required, and receipt of proceeds of indebtedness, accept and expend a Department of Water Resources administered grant in the amount of \$24,147,000 and allow reimbursement of prior expenditures, funded from Wastewater Revenue Bonds, to be funded by the grant retroactive to December 2011; notably if the State delays the disbursement of the \$24,147,000 in grant funding, Wastewater Revenue Bonds may be substituted as a source for the grant funds.

(Fiscal Impact)

05/01/12; ASSIGNED to Budget and Finance Committee.

05/08/12; SUBSTITUTED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Ed Harrington - General Manager, Female Speaker, Harlan Kelly, Todd Rydstrom, and Steve Richardson (SF Public Utilities Commission); Harvey Rose (Budget and Legislative Analyst's Office); Monique Zmuda (Controller's Office); provided an overview and responded to questions raised throughout the discussion. Regina Mullen; Eric Brooks; Joshua Arce; spoke neither in support nor opposition on the matter.

5/24/12 - Amendment of the whole bearing a new title, to place \$255,600,000 related to the planned FY2013-2014 wastewater capitol improvements on Board Finance Committee reserve pending further review of Sewer System Improvement Program timing, sizing and scoping updated.

AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

Ordinance appropriating \$587,756,000 of proceeds from revenue bonds, wastewater revenue, state grants, and bond interest income for the San Francisco Public Utilities Commission (SFPUC) Wastewater Enterprise's Capital Improvement Program, comprised of \$299,402,000 for FY2012-2013, and \$288,354,000 for FY2013-2014, and placing \$255,600,000 on Board Finance Committee reserve as well as placing all applicable appropriations by project on Controller's reserve subject to SFPUC's and Board of Supervisors' discretionary approval following completion of project-related analysis pursuant to the California Environmental Quality Act, where required, and receipt of proceeds of indebtedness, accept and expend a Department of Water Resources administered grant in the amount of \$24,147,000 and allow reimbursement of prior expenditures, funded from Wastewater Revenue Bonds, to be funded by the grant retroactive to December 2011; notably if the State delays the disbursement of the \$24,147,000 in grant funding, Wastewater Revenue Bonds may be substituted as a source for the grant funds.

(Fiscal Impact)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 5 - Chu, Avalos, Kim, Cohen, Wiener

120429 [Appropriating \$171,001,000 for Water Capital Improvements at the Public Utilities Commission for FY2012-2013 and FY2013-2014]**Sponsor: Mayor**

Ordinance appropriating \$171,001,000 of proceeds from revenue bonds, water revenues, and interest income for the San Francisco Public Utilities Commission (SFPUC) Water Enterprise's Capital Improvement Program, comprised of \$60,084,000 for FY2012-2013, and \$110,917,000 for FY2013-14, and placing applicable appropriations by project on Controller's reserve subject to SFPUC's and Board of Supervisors' discretionary approval following completion of project-related analysis pursuant to the California Environmental Quality Act, where required, and receipt of proceeds of indebtedness.

(Fiscal Impact)

05/01/12; ASSIGNED to Budget and Finance Committee.

05/08/12; SUBSTITUTED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Ed Harrington - General Manager, Female Speaker, Harlan Kelly, Todd Rydstrom, and Steve Richardson (SF Public Utilities Commission); Harvey Rose (Budget and Legislative Analyst's Office); Monique Zmuda (Controller's Office); provided an overview and responded to questions raised throughout the discussion. Regina Mullen; Eric Brooks; Joshua Arce; spoke neither in support nor opposition on the matter.

AMENDED on Page 8, Line 15 to replace '\$18,913,060' with '\$18,951,686'.

Ordinance appropriating \$171,001,000 of proceeds from revenue bonds, water revenues, and interest income for the San Francisco Public Utilities Commission (SFPUC) Water Enterprise's Capital Improvement Program, comprised of \$60,084,000 for FY2012-2013, and \$110,917,000 for FY2013-2014, and placing applicable appropriations by project on Controller's reserve subject to SFPUC's and Board of Supervisors' discretionary approval following completion of project-related analysis pursuant to the California Environmental Quality Act, where required, and receipt of proceeds of indebtedness.

(Fiscal Impact)

RECOMMENDED AS AMENDED

Ayes: 5 - Chu, Avalos, Kim, Cohen, Wiener

120430 [Appropriating \$141,171,000 for Hetch Hetchy Water and Power Capital Improvements at the Public Utilities Commission for FY2012-2013 and FY2013-2014]

Sponsor: Mayor

Ordinance appropriating \$141,171,000 of Hetch Hetchy revenue, Californian Energy Commission loan and Power and Water Revenue Bonds for the San Francisco Public Utilities Commission (SFPUC) Hetch Hetchy Enterprise's Capital Improvement Program consisting of \$51,383,000 for FY2012-2013, and \$89,788,000 for FY2013-2014, and placing applicable appropriations by project on Controller's reserve subject to SFPUC's and Board of Supervisors' discretionary approval following completion of project-related analysis pursuant to the California Environmental Quality Act, where required, and receipt of proceeds of indebtedness and loan funds.

(Fiscal Impact)

05/01/12; ASSIGNED to Budget and Finance Committee.

05/08/12; SUBSTITUTED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Ed Harrington - General Manager, Female Speaker, Harlan Kelly, Todd Rydstrom, and Steve Richardson (SF Public Utilities Commission); Harvey Rose (Budget and Legislative Analyst's Office); Monique Zmuda (Controller's Office); provided an overview and responded to questions raised throughout the discussion. Regina Mullen; Eric Brooks; Joshua Arce; spoke neither in support nor opposition on the matter.

AMENDED on Page 7, Line 22, to replace 'disclosure costs and Revenue Bond Oversight Committee costs' with 'disclosure cost and \$29,912 for Revenue Bond Oversight Committee costs'.

Ordinance appropriating \$141,171,000 of Hetch Hetchy revenue, California Energy Commission loan and Power and Water Revenue Bonds for the San Francisco Public Utilities Commission (SFPUC) Hetch Hetchy Enterprise's Capital Improvement Program consisting of \$51,383,000 for FY2012-2013, and \$89,788,000 for FY2013-2014, and placing applicable appropriations by project on Controller's reserve subject to SFPUC's and Board of Supervisors' discretionary approval following completion of project-related analysis pursuant to the California Environmental Quality Act, where required, and receipt of proceeds of indebtedness and loan funds.

(Fiscal Impact)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 5 - Chu, Avalos, Kim, Cohen, Wiener

120467 [Water Revenue Bond Issuance and Sale - Not to Exceed \$163,400,000]

Ordinance approving the issuance and sale of water revenue bonds by the San Francisco Public Utilities Commission in an aggregate principal amount not to exceed \$163,400,000 to finance various capital water projects benefitting the Water Enterprise pursuant to amendments to the Charter of the City and County of San Francisco enacted by the voters on November 5, 2002, as Proposition E; and ratifying previous actions taken in connection therewith. (Public Utilities Commission)
(Fiscal Impact)

05/07/12; RECEIVED FROM DEPARTMENT.

05/15/12; ASSIGNED to Budget and Finance Sub-Committee.

05/17/12; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speakers: Ed Harrington - General Manager, Female Speaker, Harlan Kelly, Todd Rydstrom, and Steve Richardson (SF Public Utilities Commission); Harvey Rose (Budget and Legislative Analyst's Office); Monique Zmuda (Controller's Office); provided an overview and responded to questions raised throughout the discussion. Regina Mullen; Eric Brooks; Joshua Arce; spoke neither in support nor opposition on the matter.

RECOMMENDED by the following vote:

Ayes: 5 - Chu, Avalos, Kim, Cohen, Wiener

120468 [Power Revenue Bond Issuance and Sale - Not to Exceed \$12,300,000]

Ordinance approving the issuance and sale of power revenue bonds by the San Francisco Public Utilities Commission (SFPUC) in an aggregate principal amount not to exceed \$12,300,000 to finance various power capital projects benefitting the SFPUC Power Enterprise, pursuant to Section 9.107(8) of the City Charter; and ratifying previous actions taken in connection therewith. (Public Utilities Commission)
(Fiscal Impact)

05/07/12; RECEIVED FROM DEPARTMENT.

05/15/12; ASSIGNED to Budget and Finance Sub-Committee.

05/17/12; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speakers: Ed Harrington - General Manager, Female Speaker, Harlan Kelly, Todd Rydstrom, and Steve Richardson (SF Public Utilities Commission); Harvey Rose (Budget and Legislative Analyst's Office); Monique Zmuda (Controller's Office); provided an overview and responded to questions raised throughout the discussion. Regina Mullen; Eric Brooks; Joshua Arce; spoke neither in support nor opposition on the matter.

RECOMMENDED by the following vote:

Ayes: 5 - Chu, Avalos, Kim, Cohen, Wiener

120469 [Wastewater Revenue Bond Issuance and Sale - Not to Exceed \$522,810,000]

Ordinance approving the issuance and sale of wastewater revenue bonds by the San Francisco Public Utilities Commission in an aggregate principal amount not to exceed \$522,810,000 to finance various projects benefitting the Wastewater Enterprise pursuant to amendments to the Charter of the City and County of San Francisco enacted by the voters on November 5, 2002, as Proposition E; and ratifying previous actions taken in connection therewith. (Public Utilities Commission)
(Fiscal Impact)

05/07/12; RECEIVED FROM DEPARTMENT.

05/15/12; ASSIGNED to Budget and Finance Sub-Committee.

05/17/12; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speakers: Ed Harrington - General Manager, Female Speaker, Harlan Kelly, Todd Rydstrom, and Steve Richardson (SF Public Utilities Commission); Harvey Rose (Budget and Legislative Analyst's Office); Monique Zmuda (Controller's Office); provided an overview and responded to questions raised throughout the discussion. Regina Mullen; Eric Brooks; Joshua Arce; spoke neither in support nor opposition on the matter.

RECOMMENDED by the following vote:

Ayes: 5 - Chu, Avalos, Kim, Cohen, Wiener

120544 [Reserved Funds - Public Utilities Commission - \$20,000,000]

Hearing to consider release of reserved funds, Public Utilities Commission (File No. 070315, Resolution No. 414-07) in the total amount of \$20,000,000 to fund the San Francisco Electric Reliability Payment. (Public Utilities Commission)

05/17/12; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Ed Harrington - General Manager, Female Speaker, Harlan Kelly, Todd Rydstrom, and Steve Richardson (SF Public Utilities Commission); Harvey Rose (Budget and Legislative Analyst's Office); Monique Zmuda (Controller's Office); provided an overview and responded to questions raised throughout the discussion. Regina Mullen; Eric Brooks; Joshua Arce; spoke neither in support nor opposition on the matter.

Funds in the amount of \$20,000,000 released.

APPROVED AND FILED by the following vote:

Ayes: 5 - Chu, Avalos, Kim, Cohen, Wiener

120454 [Lease of Real Property - 1455 Market Street]

Resolution authorizing the lease of 24,440 square feet at 1455 Market Street for seven years plus option to extend for the San Francisco Department of the Environment's Office purposes. (Real Estate Department)
(Fiscal Impact)

04/30/12; RECEIVED FROM DEPARTMENT.

05/08/12; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

05/17/12; TRANSFERRED to Budget and Finance Committee.

Heard in Committee. Speakers: Melanie Nutter, Director (Department of the Environment); John Updike, Acting Director (Real Estate); Harvey Rose (Budget and Legislative Analyst's Office); provided an overview and responded to questions raised throughout the discussion.

AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

(Fiscal Impact)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 5 - Chu, Avalos, Kim, Cohen, Wiener

ADJOURNMENT

The meeting adjourned at 3:32 p.m.