



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

Clerk: Victor Young (415) 554-7723

Wednesday, November 28, 2012

11:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Present: 2 - Carmen Chu, and John Avalos

Absent: 1 - Jane Kim

MEETING CONVENED

The meeting convened at 11:05 a.m.

REGULAR AGENDA

121037 [Airport Lease Agreements - Cellular Service Equipment Sites - \$350,000 Plus Annual Increases]

Resolution approving the Cellular Service Equipment Sites Leases between New Cingular Wireless PCS, LLC., Nextel of California, Inc., and Sprint Spectrum Realty Company, L.P., GTE Mobilnet of California Limited Partnership, dba Verizon Wireless, and T-Mobile West Corporation and the City and County of San Francisco, acting by and through its Airport Commission retroactive to July 1, 2009, with a term of five years, and approving Amendment No. 1 to the Cellular Service Equipment Leases with New Cingular Wireless PCS, LLC., Nextel of California, Inc., and Sprint Spectrum Realty Company, L.P., and GTE Mobilnet of California Limited Partnership, dba Verizon Wireless, with a base annual rent of \$350,000 to be increased annually by \$25,000. (Airport Commission) (Fiscal Impact)

10/19/12; RECEIVED FROM DEPARTMENT.

10/30/12; RECEIVED AND ASSIGNED to Budget and Finance Committee.

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

RECOMMENDED by the following vote:

Ayes: 2 - Chu, Avalos

Absent: 1 - Kim

121111 [Accept and Expend Grant - San Francisco Parks Alliance - Not to Exceed \$280,000]**Sponsor: Wiener**

Resolution retroactively authorizing the Recreation and Park Department to accept and expend a grant not to exceed \$280,000 from the San Francisco Parks Alliance towards seven community projects funded with Community Opportunity Fund dollars for the period of May 1, 2012, through January 1, 2013.

11/06/12; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Abigail Maher (Recreations and Park Department); provided an overview and responded to questions raised throughout the discussion. Male Speaker; spoke neither in support nor opposition on the matter.

RECOMMENDED by the following vote:

Ayes: 2 - Chu, Avalos

Absent: 1 - Kim

121062 [Agreement Amendment - MedImpact Healthcare Systems, Inc. - Third Party Pharmacy Administration Services at Community Pharmacies - \$17,575,376]

Resolution approving the third amendment to the agreement between the Department of Public Health and MedImpact Healthcare Systems, Inc., for third party pharmacy administration services at community pharmacies to increase the total contract amount from \$9,900,000 for the term of July 1, 2008, through June 30, 2014, by \$8,804,318 for a total contract amount of \$18,704,318 for six years. (Public Health Department)

10/29/12; RECEIVED FROM DEPARTMENT.

11/06/12; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Dave Woods and Female Speaker (Department of Public Health); Harvey Rose and Severin Campbell (Budget and Legislative Analyst's Office); provided an overview and responded to questions raised throughout the discussion.

11/28/12 - Amendment of the Whole bearing a new title to reduced the not to exceed amount from \$18,704,318 down to \$17,575,376 and to require the Department of Public Health to follow new Health Commission policies as they are enacted.

AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE to reduced the not to exceed amount from \$18,704,318 down to \$17,575,376 and to require the Department of Public Health to follow new Health Commission policies as they are enacted by the following vote:

Ayes: 2 - Chu, Avalos

Absent: 1 - Kim

Resolution approving the third amendment to the agreement between the Department of Public Health and MedImpact Healthcare Systems, Inc., for third party pharmacy administration services at community pharmacies to increase the total contract amount from \$9,900,000 for the term of July 1, 2008, through June 30, 2014, by \$7,675,376 for a total contract amount of \$17,575,376 for six years. (Public Health Department)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 2 - Chu, Avalos

Absent: 1 - Kim

121070 [Contract Amendment - New Flyer of America, Inc. - Purchase Low Floor Diesel-Hybrid Buses - Not to Exceed \$48,669,369]**Sponsor: Wiener**

Resolution approving Amendment No. 1 to Contract No. SFMTA-2013-08 with New Flyer of America, Inc., to purchase 17 additional 40-foot low floor diesel-hybrid buses through the Cooperative Purchasing Venture established by the State of Minnesota's Materials Management Division, for an additional amount of \$11,780,005 and a total contract amount of \$48,669,369.

(Fiscal Impact)

10/30/12; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Elson Halo (Municipal Transportation Agency) Harvey Rose (Budget and Legislative Analyst's Office); provided an overview and responded to questions raised throughout the discussion.

RECOMMENDED by the following vote:

Ayes: 2 - Chu, Avalos

Absent: 1 - Kim

121034 [Real Property Lease - 1380 Howard Street - Community Behavioral Health Services - Department of Public Health - \$118,259.38-\$131,584.38 Monthly]

Resolution authorizing the extension of a lease of 79,950 sq. ft. of office space at 1380 Howard Street for use by the Department of Public Health's Community Behavioral Health Services Division for a term of an additional five years from January 1, 2013, through December 31, 2017, at a monthly rate of \$118,259.38 for the first six months of the extended term and then \$131,584.38 per month for the remainder of the extended term. (Real Estate Department)

(Fiscal Impact)

10/18/12; RECEIVED FROM DEPARTMENT.

10/30/12; RECEIVED AND ASSIGNED to Budget and Finance Committee.

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

RECOMMENDED by the following vote:

Ayes: 2 - Chu, Avalos

Absent: 1 - Kim

121035 [Real Property Lease - 760 Harrison Street - Cort Family Living Trust - Department of Public Health - \$25,350 Monthly]

Resolution retroactively authorizing the extension of a lease of real property at 760 Harrison Street for the Department of Public Health with the Cort Family Living Trust for a term of an additional five years from July 1, 2012, to June 30, 2017, at a monthly rate of \$25,350. (Real Estate Department)

(Fiscal Impact)

10/18/12; RECEIVED FROM DEPARTMENT.

10/30/12; RECEIVED AND ASSIGNED to Budget and Finance Committee.

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

RECOMMENDED by the following vote:

Ayes: 2 - Chu, Avalos

Absent: 1 - Kim

121045 [Term Sheet - Orton Development, Inc. - Rehabilitation of the 20th Street Historic Buildings and Finding of Fiscal Feasibility]**Sponsors: Mayor; Cohen**

Resolution finding the proposed rehabilitation of the 20th Street Historic Buildings on or near 20th Street, east of Illinois Street, fiscally feasible pursuant to Administrative Code Chapter 29, and endorsing the Term Sheet between Orton Development, Inc., and the San Francisco Port Commission.

(Fiscal Impact)

10/23/12; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 11/22/2012.

Heard in Committee. Speakers: Kathleen Diohep (San Francisco Port); Mr. Orton (Orton Development Inc.); Harvey Rose (Budget and Legislative Analyst's Office); provided an overview and responded to questions raised throughout the discussion. Mike Wheeler; Corrin Woods; spoke in support of the matter. Walter Paulson; spoke neither in support nor opposition on the matter.

11/28/12 - Amended of the Whole bearing the same title on Page 4, Line 16, to add 'FURTHER RESOLVED, That any ground lease negotiated between Port and Orton for the 20th Street Historic Buildings require that Orton comply with the Secretary of the Interior's Standards for the Treatment of Historic Properties in connection with any rehabilitation of the 20th Street Historic Buildings; and, be it

FURTHER RESOLVED, That at the time the Board of Supervisors considers whether to approve a ground lease for the Project pursuant to Charter Section 9.118(c), Port report back to the Board of Supervisors on the Project's (1) revised cost estimates, project financing, and pro forma financial analysis; and (2) Port's procedures to control and verify project costs; and, be it

FURTHER RESOLVED, That if the Board of Supervisors approves a ground lease for the Project, any change to the financial terms of such ground lease after such approval that materially decrease the benefits or otherwise materially increase the obligations or liabilities of the City or Port is subject to the prior approval of the Board of Supervisors; and, be it'.

AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE on Page 4, Line 16, to add 'FURTHER RESOLVED, That any ground lease negotiated between Port and Orton for the 20th Street Historic Buildings require that Orton comply with the Secretary of the Interior's Standards for the Treatment of Historic Properties in connection with any rehabilitation of the 20th Street Historic Buildings; and, be it

FURTHER RESOLVED, That at the time the Board of Supervisors considers whether to approve a ground lease for the Project pursuant to Charter Section 9.118(c), Port report back to the Board of Supervisors on the Project's (1) revised cost estimates, project financing, and pro forma financial analysis; and (2) Port's procedures to control and verify project costs; and, be it

FURTHER RESOLVED, That if the Board of Supervisors approves a ground lease for the Project, any change to the financial terms of such ground lease after such approval that materially decrease the benefits or otherwise materially increase the obligations or liabilities of the City or Port is subject to the prior approval of the Board of Supervisors; and, be it' by the following vote:

Ayes: 2 - Chu, Avalos

Absent: 1 - Kim

Resolution finding the proposed rehabilitation of the 20th Street Historic Buildings on or near 20th Street, east of Illinois Street, fiscally feasible pursuant to Administrative Code, Chapter 29, and endorsing the Term Sheet between Orton Development, Inc., and the San Francisco Port Commission.

(Fiscal Impact)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 2 - Chu, Avalos

Absent: 1 - Kim

ADJOURNMENT

The meeting adjourned at 12:25 p.m.