



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

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

Members: Mark Farrell, Eric Mar, John Avalos

Clerk: Victor Young (415) 554-7723

Wednesday, July 17, 2013

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Present: 3 - Mark Farrell, Eric Mar, and John Avalos

MEETING CONVENED

The meeting convened at 10:05 a.m.

REGULAR AGENDA

130497 [Emergency Contract - Southeast Water Pollution Control Plant at 750 Phelps Street - Not to Exceed \$10,335,427]

Sponsor: Cohen

Resolution approving two emergency Public Works contracts of the San Francisco Public Utilities Commission under Administrative Code, Section 6.60, to replace the unstable roofs on six digesters and two biosolids storage cake bins at the Southeast Water Pollution Control Plant at 750 Phelps Street with a contract amount not to exceed \$10,335,427.

(Fiscal Impact)

05/21/13; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

06/12/13; CONTINUED. Heard in Committee. Speakers: Karen Cubin, (San Francisco Public Utilities Commission); Jon Givner (City Attorney's Office); provided an overview and responded to questions raised throughout the discussion.

Continued to July 10, 2013.

07/10/13; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE. Heard in Committee. Speakers: Supervisor Malia Cohen (San Francisco Board of Supervisors); Emilio Cruz (Public Utilities Commission); Harvey Rose (Budget and Legislative Analyst's Office); provided an overview and responded to questions raised throughout the discussion. Espinola Jackson; James Byrant; Eddy Kittrell; Francisco Da Costa; Christina Sandoval; Joann Davis; Lottie Titus; Angelo King; spoke in support of the matter. Female Speaker; spoke neither in support nor opposition on the matter.

7/10/13 - Amendment of the whole bearing a new title.

07/10/13; CONTINUED. Continued to July 17, 2013.

Heard in Committee. Speaker: 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: 3 - Farrell, Mar, Avalos

130517 [Emergency Contract - Declaration of Emergency - North Shore Force Main - Not to Exceed \$7,575,529]

Resolution approving a Declaration of Emergency and emergency contract to repair leaks along the North Shore Force Main in the amount not to exceed \$7,575,529. (Public Utilities Commission)

05/24/13; RECEIVED FROM DEPARTMENT.

06/04/13; RECEIVED AND ASSIGNED to Budget and Finance Committee.

07/01/13; TRANSFERRED to Budget and Finance Sub-Committee.

07/10/13; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE. Heard in Committee. Speakers: Emilio Cruz, Assistant General Manager (Public Utilities Commission); Harvey Rose (Budget and Legislative Analyst's Office); Jon Givner (City Attorney's Office); provided an overview and responded to questions raised throughout the discussion.

7/10/13 - Amendment of the whole bearing a new title.

07/10/13; CONTINUED AS AMENDED.

Heard in Committee. Speaker: 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: 3 - Farrell, Mar, Avalos

130511 [Contract Amendment - HealthRIGHT 360 - \$18,471,407]

Resolution approving an amendment to the contract between the Department of Public Health and HealthRIGHT 360 to provide mental health and substance abuse care services in the San Francisco County Jail system to extend the term by two and one half years, from the period of July 1, 2010, through June 30, 2012, to the period of July 1, 2010, through December 31, 2015, for a total contract term of five and one half years, and to increase the total contract amount by \$9,130,695 from \$9,999,000 to \$19,129,695. (Public Health Department)
(Fiscal Impact)

05/24/13; RECEIVED FROM DEPARTMENT.

06/04/13; RECEIVED AND ASSIGNED to Budget and Finance Committee.

07/09/13; TRANSFERRED to Budget and Finance Sub-Committee.

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

7/17/13 - Amendment of the whole bearing a new title reduce the NTE amount down from \$119,129,695 to \$18,471,407 and to amend Page 2, Line 8, after 'as needed' to add that do no materially increase the obligations or liabilities of the City'.

AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE to reduce the NTE amount down from \$119,129,695 to \$18,471,407 ; amend for retroactive approval to July 1, 2012; and to amend Page 2, Line 8, after 'as needed' to add that do no materially increase the obligations or liabilities of the City' by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

Resolution retroactively approving an amendment to the contract between the Department of Public Health and HealthRIGHT 360 to provide mental health and substance abuse care services in the San Francisco County Jail system to extend the term by two and one half years, from the period of July 1, 2010, through June 30, 2012, to the period of July 1, 2010, through December 31, 2015, for a total contract term of five and one half years, and to increase the total contract amount by \$8,472,407 from \$9,999,000 to \$18,471,407. (Public Health Department)
(Fiscal Impact)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

130512 [Contract Amendment - West Bay Housing Corporation - \$25,060,995]

Resolution retroactively approving an amendment to the contract between the Department of Public Health and West Bay Housing Corporation to provide Scattered Site Housing and Rental Subsidies Program Services to extend the term from April 1, 2009, through June 30, 2013, to April 1, 2009, through June 30, 2018, and to increase the total contract amount by \$16,480,867 from \$9,569,430 to \$26,050,297. (Public Health Department)
(Fiscal Impact)

05/24/13; RECEIVED FROM DEPARTMENT.

06/04/13; RECEIVED AND ASSIGNED to Budget and Finance Committee.

07/09/13; TRANSFERRED to Budget and Finance Sub-Committee.

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

7/17/13 - Amendment of the whole bearing a new title reducing the NTE amount from \$26,050,297 down to \$25,060,995; amend for retroactive approval to July 1, 2013; and on Page 2, Line 12, to add 'that do not materially increase the obligation or liabilities of the City'.

AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE reducing the NTE amount from \$26,050,297 down to \$25,060,995; amend for retroactive approval to July 1, 2013; and on Page 2, Line 12, to add 'that do not materially increase the obligation or liabilities of the City' by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

Resolution retroactively approving an amendment to the contract between the Department of Public Health and West Bay Housing Corporation to provide Scattered Site Housing and Rental Subsidies Program Services to extend the term from April 1, 2009, through June 30, 2013, to April 1, 2009, through June 30, 2018, and to increase the total contract amount by \$15,491,565 from \$9,569,430 to \$25,060,995. (Public Health Department)
(Fiscal Impact)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

130513 [Contract - MedImpact Healthcare Systems, Inc. - \$21,593,120]

Resolution approving a contract between the Department of Public Health and MedImpact Healthcare Systems, Inc., to provide Pharmacy Benefits Management Services, including computerized approval of prescriptions at a network of community pharmacies for Community Behavioral Health Services clients who do not have prescription drug insurance, in the amount of \$28,291,346 for the term of July 1, 2013, through June 30, 2018. (Public Health Department)
(Fiscal Impact)

05/24/13; RECEIVED FROM DEPARTMENT.

06/04/13; RECEIVED AND ASSIGNED to Budget and Finance Committee.

07/09/13; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Gloria Wilder (Department of Public Health); 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 NEW TITLE by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

Resolution retroactively approving a contract between the Department of Public Health and MedImpact Healthcare Systems, Inc., to provide Pharmacy Benefits Management Services, including computerized approval of prescriptions at a network of community pharmacies for Community Behavioral Health Services clients who do not have prescription drug insurance, in the amount of \$21,593,120 for the period of July 1, 2013, through June 30, 2018. (Public Health Department)
(Fiscal Impact)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

130514 [Contract Amendment - Siemens Medical Solutions USA, Inc. - Not to Exceed \$52,294,980]

Resolution authorizing the Department of Public Health to enter into a contract amendment with Siemens Medical Solutions USA, Inc., for the purchase of product and service enhancements for the term of July 1, 2010, through June 30, 2017, with one option to extend the initial term for an additional 24 months, ending June 30, 2019, for an amount not to exceed 52,314,454. (Public Health Department)
(Fiscal Impact)

05/24/13; RECEIVED FROM DEPARTMENT.

06/04/13; RECEIVED AND ASSIGNED to Budget and Finance Committee.

07/09/13; TRANSFERRED to Budget and Finance Sub-Committee.

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

7/17/13 - Amendment of the whole bearing a new title to reduce the NTE amount from \$52,314,454 down to \$52,294,980.

AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE to reduce the NTE amount from \$52,314,454 down to \$52,294,980 by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

Resolution authorizing the Department of Public Health to enter into a contract amendment with Siemens Medical Solutions USA, Inc., for the purchase of product and service enhancements for the term of July 1, 2010, through June 30, 2017, with one option to extend the initial term for an additional 24 months, ending June 30, 2019, for an amount not to exceed 52,294,980. (Public Health Department)
(Fiscal Impact)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

130532 [Agreement Amendments - Crestwood Behavioral Health Services and Mental Health Management, Inc. Canyon Manor - \$78,285,998]

Resolution approving an amendment to each of two agreements for long term mental health services in 24-hour locked facilities between the Department of Public Health and Crestwood Behavioral Health Services by \$14,253,906 from \$48,717,156 to \$62,971,062; Mental Health Management I, Inc. dba Canyon Manor by \$7,002,810 from \$20,966,758 to \$27,969,568 for a combined increase of \$90,940,630 with an extension of the term of 18 months, for a total contract term of October 1, 2008, through December 31, 2014. (Public Health Department)
(Fiscal Impact)

05/30/13; RECEIVED FROM DEPARTMENT.

06/11/13; RECEIVED AND ASSIGNED to Budget and Finance Committee.

07/09/13; TRANSFERRED to Budget and Finance Sub-Committee.

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

7/17/13 - Amendment of the whole bearing a new title.

AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

Resolution retroactively approving an amendment to each of two agreements for long term mental health services in 24-hour locked facilities between the Department of Public Health and Crestwood Behavioral Health Services, by \$3,010,995 from \$48,717,156 to \$51,728,151; Mental Health Management I, Inc. dba Canyon Manor, by \$5,564,089 from \$20,966,758 to \$26,530,847 for a combined increase of \$78,285,998 with an extension of the term of eighteen months, for a total contract term of October 1, 2008, through December 31, 2014. (Public Health Department)
(Fiscal Impact)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

130645 [Lease Amendment - Real Property at 720 Sacramento Street - Ridgeway Apartments, Inc. - \$26,980 Monthly]

Resolution authorizing the second lease amendment for approximately 9,250 square feet of space at 720 Sacramento Street, San Francisco, with Ridgeway Apartments, Inc., as Landlord, for use by the Department of Public Health at the monthly cost of \$26,980 for the period of July 1, 2013, through June 30, 2018. (Real Estate Department)
(Fiscal Impact)

06/10/13; RECEIVED FROM DEPARTMENT.

06/18/13; RECEIVED AND ASSIGNED to Budget and Finance Sub-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.

7/17/13 - AMENDED on Page 1, Line 3 to add 'retroactively'.

AMENDED on Page 1, Line 3 to add 'retroactively' by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

Resolution retroactively authorizing the second lease amendment for approximately 9,250 square feet of space at 720 Sacramento Street, San Francisco, with Ridgeway Apartments, Inc., as Landlord, for use by the Department of Public Health at the monthly cost of \$26,980 for the period of July 1, 2013, through June 30, 2018. (Real Estate Department)
(Fiscal Impact)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

130619 [Accept and Expend Gift - Mayor's Earth Day Breakfast - \$12,500]**Sponsor: Mayor**

Resolution authorizing the Department of the Environment to retroactively accept and expend a gift in the amount of \$12,500 from Citibank to sponsor the Mayor's Annual Earth Day Breakfast which took place at City Hall on April 24, 2013.

06/11/13; RECEIVED AND ASSIGNED to Budget and Finance Committee.

07/12/13; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speaker: Melanie Nutter (Department of the Environment); provided an overview and responded to questions raised throughout the discussion.

RECOMMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

130657 [Accept Gifts - EcoCenter - 1455 Market Street - \$114,600]**Sponsor: Mayor**

Resolution authorizing the Department of the Environment to retroactively accept gifts with a total value of \$114,600 to build out the Department of the Environment's EcoCenter at 1455 Market Street.

06/18/13; RECEIVED AND ASSIGNED to Budget and Finance Committee.

07/12/13; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speaker: Melanie Nutter (Department of the Environment); provided an overview and responded to questions raised throughout the discussion.

RECOMMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

130649 [Accept and Expend Grant - Community Scale Renewable Energy Integration - Central Corridor EcoDistrict - \$300,000]

Resolution authorizing the Department of the Environment to retroactively accept and expend a grant of \$300,000 from the California Energy Commission for the purpose of exploring Community Scale Renewable Energy Integration in San Francisco's Central Corridor Eco-District for the term June 1, 2013, through March 31, 2015. (Environment)

06/14/13; RECEIVED FROM DEPARTMENT.

06/25/13; RECEIVED AND ASSIGNED to Budget and Finance Committee.

07/12/13; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speaker: Melanie Nutter (Department of the Environment); provided an overview and responded to questions raised throughout the discussion.

RECOMMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

130653 [Administrative Code - Health Service System Plans and Contribution Rates - Calendar Year 2014]**Sponsor: Farrell**

Ordinance amending the Administrative Code, Chapter 16, Article XV, of Part 1, Section 16.703, regarding Board approval of health service system plans and contribution rates for calendar year 2014.

(Fiscal Impact)

06/18/13; ASSIGNED to Budget and Finance Committee.

07/01/13; TRANSFERRED to Budget and Finance Sub-Committee.

07/10/13; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speakers: Lisa Ghotbi, Acting Director, and Greg Sass (Health Service System); Debra Newman and Harvey Rose (Budget and Legislative Analyst's Office); Erik Rapoport (City Attorney's Office); Anil Kochhar; Cindy Strygle and Andrew Tse (Kaiser Permanente); Monique Zmuda (Controller's Office); provided an overview and responded to questions raised throughout the discussion. Susan Payer; Claire Zvanski; spoke in support of the matter. Tom Moore; Peter Maziak; Lacy Johnson; Stayson Varghese; Ramses Teon-Nichols, Vice President of Organizing, and David Cauhan (SEIU Local 1021); Karen Breslin, President (Health Service System Board); Sharon Johnson; Karen Joubert; Sally Covington, Chief Executive Officer (Community Campaigns for Quality Care); James Thomas; Brenda Barootes; Ms. O'Mally; Rebecca King Morrow; Ed Kinchley; Former Supervisor Chris Daly; Bob Muscat; Emma Jerrold (SEIU Local 1021); Judy Terisita; spoke in opposition of the hearing matter.

Heard in Committee. Speakers: Lisa Ghotbi and Greg Sass (Health Service System); Cindy Surbrung and Peter Straus (Kaiser Permanente); Randolph Scott and Karen Breslin, President, Wilfredo Lim, Vice President, and Ms. Landry (Health Service Board); provided an overview and responded to questions raised throughout the discussion. Bob Muskat (Local 21); Chris Armentrout (SFUSD); Ken Tray; Tim O'Brien; Jeff Durtz; Brook Dermerle; Stephanie Myers; Frederick Riddell; Jean Clause; spoke in support of the matter. Chris Daly (Local 1021); Male Speaker; spoke in opposition of the matter. Sally Covington; Tom Moore; Gus Feldmen; spoke neither in support nor opposition on the matter.

REFERRED WITHOUT RECOMMENDATION to the Board of Supervisors, by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

130654 [Establishing Monthly Contribution Amount - Health Service Trust Fund]**Sponsor: Farrell**

Resolution establishing monthly contribution amount to the Health Service Trust Fund.
(Fiscal Impact)

06/18/13; RECEIVED AND ASSIGNED to Budget and Finance Committee.

07/01/13; TRANSFERRED to Budget and Finance Sub-Committee.

07/10/13; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speakers: Lisa Ghotbi, Acting Director, and Greg Sass (Health Service System); Debra Newman and Harvey Rose (Budget and Legislative Analyst's Office); Erik Rapoport (City Attorney's Office); Anil Kochhar; Cindy Strygle and Andrew Tse (Kaiser Permanente); Monique Zmuda (Controller's Office); provided an overview and responded to questions raised throughout the discussion. Susan Payer; Claire Zvanski; spoke in support of the matter. Tom Moore; Peter Maziak; Lacy Johnson; Stayson Varghese; Ramses Teon-Nichols, Vice President of Organizing, and David Cauhan (SEIU Local 1021); Karen Breslin, President (Health Service System Board); Sharon Johnson; Karen Joubert; Sally Covington, Chief Executive Officer (Community Campaigns for Quality Care); James Thomas; Brenda Barootes; Ms. O'Mally; Rebecca King Morrow; Ed Kinchley; Former Supervisor Chris Daly; Bob Muscat; Emma Jerrold (SEIU Local 1021); Judy Terisita; spoke in opposition of the hearing matter.

Heard in Committee. Speakers: Lisa Ghotbi and Greg Sass (Health Service System); Cindy Surbrung and Peter Straus (Kaiser Permanente); Randolph Scott and Karen Breslin, President, Wilfredo Lim, Vice President, and Ms. Landry (Health Service Board); provided an overview and responded to questions raised throughout the discussion. Bob Muskat (Local 21); Chris Armentrout (SFUSD); Ken Tray; Tim O'Brien; Jeff Duritz; Brook Dermerle; Stephanie Myers; Frederick Riddell; Jean Clause; spoke in support of the matter. Chris Daly (Local 1021); Male Speaker; spoke in opposition of the matter. Sally Covington; Tom Moore; Gus Feldmen; spoke neither in support nor opposition on the matter.

REFERRED WITHOUT RECOMMENDATION to the Board of Supervisors, by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

130720 [Hearing - Outcome of Competitive Process for Budget and Legislative Analyst Services]

Hearing to report on the outcome of the competitive process for Budget and Legislative Analyst Services. (Clerk of the Board)

07/09/13; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Angela Calvillo, Clerk of the Board and Debra Landis (Board of Supervisors); provided an overview and responded to questions raised throughout the discussion.

FILED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

130719 [Professional Services Agreement - Budget and Legislative Analyst Services]

Motion authorizing the Clerk of the Board of Supervisors to commence negotiations and enter into a Professional Services Agreement for Budget and Legislative Analyst Services with Management Partners or Harvey M. Rose Associates, LLC, Debra A. Newman, Louie & Wong, LLP, a Joint Venture and approving said agreement, pursuant to Charter Section 2.117. (Clerk of the Board)
(Fiscal Impact)

07/09/13; RECEIVED AND ASSIGNED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Angela Calvillo, Clerk of the Board, and Deborah Landis (Board of Supervisors); provided an overview and responded to questions raised throughout the discussion.

7/17/13 - Amended on Page 1, Lines 5, 3, 17, and 24, to delete ' Management Partners or'.

AMENDED on Page 1, Lines 5, 3, 17, and 24, to delete ' Management Partners or' by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

Motion authorizing the Clerk of the Board of Supervisors to commence negotiations and enter into a Professional Services Agreement for Budget and Legislative Analyst Services with Harvey M. Rose Associates, LLC, Debra A. Newman, Louie & Wong, LLP, a Joint Venture and approving said agreement, pursuant to Charter Section 2.117. (Clerk of the Board)
(Fiscal Impact)

RECOMMENDED AS AMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

130616 [Alternative Bid Process to Award Contracts to Certain Core Trade Subcontractors to Perform Pre-Construction Design-Assist Services - Moscone Expansion Project]

Sponsor: Mayor

Ordinance authorizing the San Francisco Department of Public Works to implement an alternative bid process to award contracts to certain Core Trade Subcontractors to provide pre-construction design-assist services for the proposed Moscone Expansion Project.

06/11/13; ASSIGNED UNDER 30 DAY RULE to Government Audit and Oversight Committee, expires on 7/11/2013.

07/12/13; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speaker: Edgar Lopez (Department of Public Works); provided an overview and responded to questions raised throughout the discussion.

RECOMMENDED by the following vote:

Ayes: 3 - Farrell, Mar, Avalos

ADJOURNMENT

The meeting adjourned at 12:35 p.m.