



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: Malia Cohen, Norman Yee, Katy Tang

Clerk: Linda Wong (415) 554-7719

Thursday, October 19, 2017

1:00 PM

City Hall, Legislative Chamber, Room 250

Rescheduled Meeting

Present: 4 - Malia Cohen, Norman Yee, Katy Tang, and Aaron Peskin

The Budget and Finance Committee met in rescheduled session on Thursday, October 19, 2017, with Chair Malia Cohen presiding.

ROLL CALL AND ANNOUNCEMENTS

Chair Cohen called the meeting to order at 1:05 p.m. On the call of the roll Chair Cohen and Member Tang were noted present. Vice Chair Yee was noted absent. There was a quorum.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

Vice Chair Yee was noted present at 1:06 p.m.

170984 [Appropriation - Grants to Businesses in Chinatown Affected by Delay of the Central Subway Project - \$225,000 - FY2017-2018]**Sponsor: Peskin**

Ordinance appropriating \$225,000 from the General Reserve to General City Responsibility to provide grants to businesses in Chinatown that have suffered economic losses due to unanticipated delays in construction of the Central Subway Project.

(Fiscal Impact)

09/12/17; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 10/12/2017.

Heard in Committee. Speakers: Supervisor Aaron Peskin (Board of Supervisors); Joaquín Torres (Office of Economic Workforce Development); Melissa Whitehouse (Mayor's Office); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Wayland Hong; Stacey; Owner (On On Hair Salon); Sam; Judy Lee (Office of Supervisor Ahsha Safai); read a letter submitted by the owner of Jenny Hair Salon; Female Speaker; Siu Yuen Jong; Wei Mui; Edward Su; Ace Washington; spoke in support of the hearing matter.

Member Tang moved that this Ordinance be TABLED. The motion carried by the following vote:

Ayes: 3 - Cohen, Yee, Tang

170994 [Revenue Agreement Amendment - JC Decaux San Francisco, Inc. - Extending Term to February 14, 2018]**Sponsor: Peskin**

Resolution approving the Third Amendment to the Revenue Agreement between San Francisco Public Works and JC Decaux San Francisco, LLC, for the Automatic Public Toilet and Public Service Kiosk Program extending the contract term by 90 days, changing the termination date from October 17, 2017, to January 15, 2018.

09/12/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

10/05/17; AMENDED. Heard in Committee. Speakers: Supervisor Aaron Peskin (Board of Supervisors); Julia Dawson (Public Works); Severin Campbell (Office of the Budget and Legislative Analyst); Jon Givner (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion.

10/05/17; CONTINUED AS AMENDED.

Heard in Committee. Speakers: Supervisor Aaron Peskin (Board of Supervisors); Julia Dawson (Public Works); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Vice Chair Yee moved that this Resolution be AMENDED to extend the contract term from 90 days to 120 days. The motion carried by the following vote:

Ayes: 3 - Cohen, Yee, Tang

Resolution approving the Third Amendment to the Revenue Agreement between San Francisco Public Works and JC Decaux San Francisco, LLC, for the Automatic Public Toilet and Public Service Kiosk Program extending the contract term by 120 days, changing the termination date from October 17, 2017, to February 14, 2018.

CONTINUED AS AMENDED to the Budget and Finance Committee meeting of October 26, 2017. The motion carried by the following vote:

Ayes: 3 - Cohen, Yee, Tang

170764 [Administrative Code - Mid-Year Reports on Department Overtime Expenditures]**Sponsor: Yee**

Ordinance amending the Administrative Code to require the Controller to include in mid-year financial reports to the Board of Supervisors and Mayor information regarding the overtime expenditures of the Airport, Department of Emergency Management, Fire Department, Police Department, Department of Public Health, Public Utilities Commission, Public Works, Recreation and Park Department, and Sheriff's Department.

06/20/17; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Sub-Committee, expires on 7/20/2017.

08/02/17; REFERRED TO DEPARTMENT. Referred to the Office of the Controller for informational purposes.

09/28/17; TRANSFERRED to Budget and Finance Committee.

10/05/17; CONTINUED. Heard in Committee. Speakers: None.

Heard in Committee. Speaker: Michelle Allersma (Office of the Controller); provided an overview and responded to questions raised throughout the discussion.

Vice Chair Yee moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Cohen, Yee, Tang

Chair Cohen requested File Nos. 171006 and 171012 be called together.

Vice Chair Yee was noted absent at 2:40 p.m. and for the remainder of the meeting.

President London Breed appointed Supervisor Aaron Peskin, replacing Supervisor Norman Yee, to the Budget and Finance Committee meeting of October 19, 2017, beginning at 2:40 p.m. and for the remainder of the meeting.

Member Peskin was noted present at 2:43 p.m.

171006 [Land Mobile Radio System Purchase, Installation, and Maintenance Agreement - Motorola Solutions Inc. - Not to Exceed \$10,906,297]

Resolution authorizing the General Manager of the San Francisco Public Utilities Commission to execute Agreement No. CS-1074 with Motorola Solutions Inc. for the purchase, installation, and maintenance of a land mobile radio system, for an amount not to exceed \$10,906,297, and with an anticipated term to commence December 1, 2017, through February 28, 2027. (Public Utilities Commission)

(Fiscal Impact)

09/15/17; RECEIVED FROM DEPARTMENT.

09/26/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Ken Salmon (Public Utilities Commission); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Chair Cohen moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Cohen, Tang, Peskin

Absent: 1 - Yee

171012 [Appropriation and De-Appropriation - Water Enterprise Fund Balance and Operating Budget - Land Mobile Radio System - FY2017-2018 - \$6,814,850]**Sponsor: Mayor**

Ordinance appropriating \$6,814,850 Water Enterprise fund balance to fund the installation of a new Water Enterprise Land Mobile Radio System in FY2017-2018.
(Fiscal Impact)

09/19/17; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 10/19/2017.

Heard in Committee. Speakers: Ken Salmon (Public Utilities Commission); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Chair Cohen moved that this Ordinance be AMENDED to appropriate \$4,094,850 from Water Enterprise fund balance and \$2,720,000 from the Water Enterprise FY2016-2017 and FY2017-2018 operating budget, for a total appropriation of \$6,814,850. The motion carried by the following vote:

Ayes: 3 - Cohen, Tang, Peskin

Absent: 1 - Yee

Ordinance appropriating \$4,094,850 Water Enterprise fund balance and de-appropriating \$2,720,000 from the Water Enterprise's operating budget to fund the installation of a new Water Enterprise Land Mobile Radio System in FY2017-2018.
(Fiscal Impact)

Chair Cohen moved that this Ordinance be RECOMMENDED AS AMENDED AS A COMMITTEE REPORT. The motion carried by the following vote:

Ayes: 3 - Cohen, Tang, Peskin

Absent: 1 - Yee

Chair Cohen requested File Nos. 171011 and 171010 be called together.

171011 [Appropriation - Proceeds from Water Enterprise Revenue Bonds - Long Term Monitoring Permit Program - \$12,600,000 - FY2017-2018]**Sponsor: Mayor**

Ordinance appropriating \$12,600,000 of proceeds from Water Enterprise Revenue Bonds to fund the Long-Term Monitoring Permit Program for the vegetation restoration of the Water System Improvement Program construction sites and the Bioregional Habitat Restoration projects as required by the related federal and state regulatory permits in FY2017-2018; and placing \$12,600,000 of proceeds on Controller's Reserve pending receipt of proceeds of indebtedness. (Public Utilities Commission)
(Fiscal Impact)

09/19/17; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 10/19/2017.

Heard in Committee. Speakers: Eric Sandler (Public Utilities Commission); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Chair Cohen moved that this Ordinance be RECOMMENDED AS COMMITTEE REPORT. The motion carried by the following vote:

Ayes: 3 - Cohen, Tang, Peskin

Absent: 1 - Yee

171010 [Ordinance Amendment - Increasing the Public Utilities Commission Water Revenue Bond Issuance - Not to Exceed \$286,730,430]**Sponsor: Mayor**

Ordinance amending Ordinance No. 112-16, as amended by Ordinance No. 154-17, to authorize an increase of the issuance and sale of tax-exempt or taxable Water Revenue Bonds and other forms of indebtedness (as described below) by the San Francisco Public Utilities Commission (Commission) in an aggregate principal amount not to exceed \$286,730,430 to finance the costs of various capital water projects benefitting the Water Enterprise, including in addition to the purposes heretofore approved, certain Bioregional Habitat Restoration costs (as described below) 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; authorizing the issuance of Water Revenue Refunding Bonds; declaring the Official Intent of the Commission to reimburse itself with one or more issues of tax-exempt or taxable bonds or other forms of indebtedness; and ratifying previous actions taken in connection therewith. (Public Utilities Commission)

(Fiscal Impact)

09/19/17; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 10/19/2017.

10/04/17; REFERRED TO DEPARTMENT. Referred to the Public Utilities Commission, Office of the Controller, Office of the Treasurer and Tax Collector, and Office of the City Attorney for informational purposes.

Heard in Committee. Speakers: Eric Sandler (Public Utilities Commission); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Chair Cohen moved that this Ordinance be RECOMMENDED AS COMMITTEE REPORT. The motion carried by the following vote:

Ayes: 3 - Cohen, Tang, Peskin

Absent: 1 - Yee

170981 [Software License and Support Agreement Amendment - Oracle America, Inc. - Not to Exceed \$12,211,193.65]

Resolution authorizing the Controller to enter into the Fifteenth Amendment of a software license and support agreement between Oracle America Inc., and the City and County of San Francisco, to extend the contract term through November 30, 2022, and increase the maximum expenditure by \$4,183,659.87 for a total amount not to exceed \$12,211,193.65. (Controller)
(Fiscal Impact)

(Supervisor Peskin dissented in Committee.)

09/11/17; RECEIVED FROM DEPARTMENT.

09/19/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Todd Rystrom (Office of the Controller); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

Member Tang moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Cohen, Tang, Peskin

Absent: 1 - Yee

Member Tang moved to rescind the previous vote. The motion carried by the following vote:

Ayes: 3 - Cohen, Tang, Peskin

Absent: 1 - Yee

Chair Cohen moved, that this Resoluton be RECOMMENDED AS COMMITTEE REPORT. The motion carried by the following vote:

Ayes: 2 - Cohen, Tang

Noes: 1 - Peskin

Absent: 1 - Yee

171039 [Purchase and Sale Agreement - Buddhi Dharma Lien Guo Foundation - 7484 Sheridan Road, Sunol, CA - \$3,305,000]

Resolution approving and authorizing the execution of a Purchase and Sale Agreement with the Buddhi Dharma Lien Guo Foundation ("Buyer") or Buyer's assignee, for the sale by the City and County of San Francisco, acting though the San Francisco Public Utilities Commission, to Buyer of approximately 84 acres of improved real property located at 7484 Sheridan Road, Sunol, California for \$3,305,000; adopting findings under the California Environmental Quality Act; adopting findings that the sale is consistent with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and authorizing the Director of Property and/or the SFPUC's General Manager to execute documents, make certain modifications, and take certain actions in furtherance of this Resolution, as defined herein. (Public Utilities Commission)
(Fiscal Impact)

09/22/17; RECEIVED FROM DEPARTMENT.

10/03/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Rosanna Russell (Public Utilities Commission); Severin Campbell (Office of the Budget and Legislative Analyst); Jon Givner (Office of the City Attorney); provided an overview and responded to questions raised throughout the discussion.

Chair Cohen moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Cohen, Tang, Peskin

Absent: 1 - Yee

Chair Cohen requested File Nos. 170863, 170986, and 170988 be called together.

170863 [Development Agreement - FC Pier 70, LLC - Pier 70 Development Project]

Sponsors: Mayor; Cohen

Ordinance approving a Development Agreement between the City and County of San Francisco and FC Pier 70, LLC, for 28 acres of real property located in the southeast portion of the larger area known as Seawall Lot 349 or Pier 70; and bounded generally by Illinois Street on the west, 22nd Street on the south, and San Francisco Bay on the north and east; waiving certain provisions of the Administrative Code, Planning Code, and Subdivision Code; and adopting findings under the California Environmental Quality Act, public trust findings, and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1(b).
(Economic Impact)

07/25/17; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 8/24/2017.

10/06/17; NOTICED. 10-Day Notice for 10/19/2017 Budget and Finance Committee hearing published in the Examiner, posted, and mailed, pursuant to Government Code Section 65090 et seq.

10/18/17; RECEIVED. Economic Impact Report received from the Office of Economic Analysis.

Heard in Committee. Speakers: Elaine Forbes, Executive Director and Brad Benson (Port of San Francisco); Jack Sylvan (Forest City); Severin Campbell (Office of the Budget and Legislative Analyst); Carlie Paine (Municipal Transportation Agency); provided an overview and responded to questions raised throughout the discussion. Vanessa Keno; Female Speaker; Margaret McKey; Bill Blackhole; spoke in support of the hearing matter.

Chair Cohen moved that this Ordinance be CONTINUED to the Budget and Finance Committee meeting of October 26, 2017. The motion carried by the following vote:

Ayes: 3 - Cohen, Tang, Peskin

Absent: 1 - Yee

170986 [Disposition and Development Agreement - FC Pier 70, LLC - Pier 70 Project]

Sponsors: Mayor; Cohen

Resolution approving a Disposition and Development Agreement between the Port and FC Pier 70, LLC, for 28 acres of real property located in the southeast portion of the larger area known as Seawall Lot 349 or Pier 70; adopting findings under the California Environmental Quality Act; adopting findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1(b); and adopting public trust consistency findings.
(Fiscal Impact)

09/12/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Elaine Forbes, Executive Director and Brad Benson (Port of San Francisco); Jack Sylvan (Forest City); Severin Campbell (Office of the Budget and Legislative Analyst); Carlie Paine (Municipal Transportation Agency); provided an overview and responded to questions raised throughout the discussion. Vanessa Keno; Female Speaker; Margaret McKey; Bill Blackhole; spoke in support of the hearing matter.

Chair Cohen moved that this Resolution be CONTINUED to the Budget and Finance Committee meeting of October 26, 2017. The motion carried by the following vote:

Ayes: 3 - Cohen, Tang, Peskin

Absent: 1 - Yee

170988 [Memorandum of Understanding Regarding Interagency Cooperation - Pier 70 Project]**Sponsors: Mayor; Cohen**

Resolution approving the Memorandum of Understanding between the Port and other City Agencies regarding Interagency Cooperation; and adopting findings under the California Environmental Quality Act.

09/12/17; RECEIVED AND ASSIGNED to Budget and Finance Committee.

Heard in Committee. Speakers: Elaine Forbes, Executive Director and Brad Benson (Port of San Francisco); Jack Sylvan (Forest City); Severin Campbell (Office of the Budget and Legislative Analyst); Carlie Paine (Municipal Transportation Agency); provided an overview and responded to questions raised throughout the discussion. Vanessa Keno; Female Speaker; Margaret McKey; Bill Blackhole; spoke in support of the hearing matter.

Chair Cohen moved that this Resolution be CONTINUED to the Budget and Finance Committee meeting of October 26, 2017. The motion carried by the following vote:

Ayes: 3 - Cohen, Tang, Peskin

Absent: 1 - Yee

ADJOURNMENT

There being no further business, the Budget and Finance Committee adjourned at the hour of 2:58 p.m.

N.B. The Minutes of this meeting set forth all actions taken by the Budget and Finance Committee on the matters stated, but not necessarily in the chronological sequence in which the matters were taken up.