



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

Supervisors: Carmen Chu, Ross Mirkarimi, Jane Kim

Clerk: Victor Young (415) 554-7723

Wednesday, March 9, 2011

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Present: 3 - Carmen Chu, Ross Mirkarimi, and Jane Kim

MEETING CONVENED

The meeting convened at 10:08 a.m.

REGULAR AGENDA

110168 [Lease of Real Property - 1421 Broderick Street]

Resolution authorizing the exercise of a ten year option to extend the lease of the 12,417 square foot building located at 1421 Broderick Street for the Department of Public Health. (Real Estate Department)

02/14/11; RECEIVED AND ASSIGNED to Budget and Finance Committee.

02/22/11; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: John Updike, Acting Director (Real Estate); Harvey Rose (BLA); presented information concerning the matter and/or answered questions raised during the hearing.

3/9/11 - Amended on Page 1, Line 8, to replace 'fka' with 'aka' and on Page 2, Line 12, to replace 'including' with 'excluding'.

AMENDED

RECOMMENDED AS AMENDED by the following vote:

Ayes: 3 - Chu, Mirkarimi, Kim

110148 [Lease - ParkWide Activities, LLC - Master Bike Rental Concession Operation]

Resolution authorizing the Recreation and Park Department General Manager to enter into a lease with ParkWide Activities, LLC, for the operation of a Master Bike Rental Concession in City Parks. (Recreation and Park Department)

02/07/11; RECEIVED AND ASSIGNED to Budget and Finance Committee.

02/22/11; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Nick Kinsey (Rec and Parks); Harvey Rose (BLA); presented information concerning the matter and/or answered questions raised during the hearing. Neal Patel; Susan King; spoke in support of the matter. Linda Mjellem; spoke in opposition of the matter.

3/9/11 - Amended on Page 2, Lines 7 and 16, to delete 'additions'.

Supervisor Chu dissented on the amendment.

AMENDED**RECOMMENDED AS AMENDED by the following vote:**

Ayes: 3 - Chu, Mirkarimi, Kim

090417 [Hearing - Water System Improvement Program Update]**Sponsors: Chu; Avalos**

Hearing to receive a regular quarterly update from the Public Utilities Commission on the Water System Improvement Program to include information on projects completed to date, the corresponding costs for completed projects, and schedule and corresponding costs for upcoming projects.

04/07/09; RECEIVED AND ASSIGNED to Budget and Finance Committee.

06/03/09; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speakers: Julie Labonte, Public Utilities Commission; Todd Rydstrom, Assistant General Manager, Business Services, and Chief Financial Officer, Public Utilities Commission; Walter Paulson.

12/09/09; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speakers: Julie Labonte, Public Utilities Commission; Harlan Kelly, Assistant General Manager, Public Utilities Commission.

04/01/10; TRANSFERRED to Budget and Finance Sub-Committee.

04/07/10; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speakers: Julie Labonte, Director, Water System Improvement Program, Public Utilities Commission; Harlan Kelly, Assistant General Manager, Infrastructure Division, Public Utilities Commission; Todd Rydstrom, Assistant General Manager, Business Services, and Chief Financial Officer, Public Utilities Commission; Harvey Rose, Budget and Legislative Analyst; Walter Paulson.

08/02/10; TRANSFERRED to Budget and Finance Committee.

02/28/11; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Ed Harrington, General Manager (SFPUC); Julie Labonte (SFPUC); Dan Wade (SFPUC); Harvey Rose (BLA); presented information concerning the matter and/or answered questions raised during the hearing. Ms. Flynn; spoke in support of the matter. Eddy Young; spoke neither in support nor opposition on the matter.

CONTINUED TO CALL OF THE CHAIR by the following vote:

Ayes: 3 - Chu, Mirkarimi, Kim

110188 [Hearing - Reserved Funds, Public Utilities Commission - \$330,510,906]**Sponsor: Elsbernd**

Hearing to consider release of reserved funds, Public Utilities Commission (File No. 100337, Ordinance No. 92-10) in the amount of \$330,510,906 to fund the construction for the Water System Improvement Program CUW374-01 - Calaveras Dam Replacement Project.

02/15/11; RECEIVED AND ASSIGNED to Budget and Finance Committee.

02/28/11; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Ed Harrington, General Manager (SFPUC); Julie Labonte (SFPUC); Dan Wade (SFPUC); Harvey Rose (BLA); presented information concerning the matter and/or answered questions raised during the hearing. Ms. Flynn; spoke in support of the matter. Eddy Young; spoke neither in support nor opposition on the matter.

\$17,698,697 approved and released. Remaining \$312,812,209 placed on Controller's Reserve.

APPROVED AND FILED by the following vote:

Ayes: 3 - Chu, Mirkarimi, Kim

110187 [CEQA Findings - Public Utilities Commission Calaveras Dam Replacement Project]**Sponsor: Elsbernd**

Resolution adopting findings under the California Environmental Quality Act, including the adoption of a mitigation monitoring and reporting program and a statement of overriding considerations related to the Water System Improvement Program Calaveras Dam Replacement Project, in Alameda and Santa Clara Counties, including the mitigation habitat actions at various sites; and directing the Clerk of the Board of Supervisors to notify the Controller of this action.

02/15/11; RECEIVED AND ASSIGNED to Budget and Finance Committee.

02/28/11; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: Ed Harrington, General Manager (SFPUC); Julie Labonte (SFPUC); Dan Wade (SFPUC); Harvey Rose (BLA); presented information concerning the matter and/or answered questions raised during the hearing. Ms. Flynn; spoke in support of the matter. Eddy Young; spoke neither in support nor opposition on the matter.

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

Ayes: 3 - Chu, Mirkarimi, Kim

LITIGATION

Conference with City Attorney

[Convene in Closed Session - Anticipated Litigation - City as Plaintiff and/or Defendant]

Motion that the Budget and Finance Sub-Committee of the Board of Supervisors convene in closed session with the City Attorney for the purpose of conferring with, or receiving advice from, the City Attorney regarding settlement of anticipated litigation involving the San Francisco Public Utilities Commission, Calaveras Dam Replacement Project, Government Code Section 54956.9(b) and San Francisco Administrative Code Section 67.10(d)(2) permit this closed session because discussion in open session concerning this matter would likely and unavoidably prejudice the position of the City in the anticipated litigation.

Unanimous vote to convene in closed session by the following vote:

Ayes: 3 - Chu, Mirkarimi, Kim

110175 [Settlement of Unlitigated Claims - East Bay Regional Park District - Public Utilities Commission Calaveras Dam Replacement Project]

Resolution approving the settlement of the unlitigated claims between the City and County of San Francisco and the East Bay Regional Park District (EBRPD) related to the San Francisco Public Utilities Commission (SFPUC) Water System Improvement Program, Calaveras Dam Replacement Project, in Alameda County, calling for SFPUC to pay EBRPD \$2,000,000 related to project construction activities, and including other material terms and conditions in a settlement and release agreement. (City Attorney)

02/18/11; RECEIVED AND ASSIGNED to Budget and Finance Committee.

02/28/11; TRANSFERRED to Budget and Finance Sub-Committee.

Heard in Committee. Speakers: None.

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

Ayes: 3 - Chu, Mirkarimi, Kim

Conference with City Attorney

[Convene in Closed Session - Existing Litigation - City as Plaintiff and/or Defendant]

Motion that the Budget and Finance Sub-Committee of the Board of Supervisors convene in closed session with the City Attorney for the purpose of conferring with, or receiving advice from, the City Attorney regarding the following existing lawsuits and claims in which proposed settlements are being considered by the Committee. Administrative Code Section 67.10(d) permit this closed session. Discussion in open session concerning these matters would likely and unavoidably prejudice the position of the City in the pending lawsuits and claims listed below.

Unanimous vote to convene in closed session by the following vote:

Ayes: 3 - Chu, Mirkarimi, Kim

110154 [Appropriating \$2,809,000 of General Fund Reserve - Fourth Street Bridge Project Litigation Expenses in FY2010-2011]

Sponsor: Mayor

Ordinance appropriating \$2,809,000 from the General Fund Reserve to the Department of Public Works for litigation expenses related to the Santa Clara Superior Court Case between Mitchell Engineering/Obayashi Corporation v. City and County of San Francisco for the Fourth Street Bridge Project in FY2010-2011.

(Fiscal Impact.)

02/08/11; RECEIVED AND ASSIGNED to Budget and Finance Committee.

02/22/11; TRANSFERRED to Budget and Finance Sub-Committee.

03/02/11; CONTINUED. Heard in Committee. Speakers: Andrew Shen (City Attorney); presented information concerning the matter and/or answered questions raised during the hearing.

Continued to March 9, 2011.

Heard in Committee. Speakers: Cheryl Adams (City Attorney); presented information concerning the matter and/or answered questions raised during the hearing. Male Speaker; spoke in opposition of the closed session.

RECOMMENDED by the following vote:

Ayes: 3 - Chu, Mirkarimi, Kim

After a closed session, if one occurs, the Committee shall adopt a motion either to disclose or not to disclose.

Deputy City Attorney Cheryl Adams reported that the Budget and Finance Sub-Committee has met in closed session with the City Attorney, under the provisions of Government Code Section 54956.9 (a)(b) and Administrative Code Section 67.10 (d), for the purpose of conferring with, or receiving advice from, the City Attorney regarding settlements in the lawsuits or claims listed above.

[Elect Not to Disclose]

Motion that the Committee finds that it is in the best interest of the public that the Committee elect at this time not to disclose its closed session deliberations listed above.

Unanimous vote not to disclose by the following vote:

Ayes: 3 - Chu, Mirkarimi, Kim

ADJOURNMENT

The meeting adjourned at 11:45 a.m.