



**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*

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**Thursday, November 2, 2017**

**10:00 AM**

**City Hall, Legislative Chamber, Room 250**

**Regular Meeting**

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*President London Breed appointed Supervisor Hillary Ronen, replacing Supervisor Norman Yee, to the Budget and Finance Committee meeting of November 2, 2017.*

**Present:** 3 - Malia Cohen, Katy Tang, and Hillary Ronen

**Excused:** 1 - Norman Yee

*The Budget and Finance Committee met in regular session on Thursday, November 2, 2017, with Chair Malia Cohen presiding.*

## **ROLL CALL AND ANNOUNCEMENTS**

*Chair Cohen called the meeting to order at 10:13 a.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.*

### **Supervisor Yee Excused from Attendance**

**Member Tang moved that Supervisor Yee be Excused from the Budget and Finance Committee meeting of November 2, 2017. The motion carried by the following vote:**

Ayes: 3 - Cohen, Tang, Ronen

Excused: 1 - Yee

## **AGENDA CHANGES**

*There were no agenda changes.*

## **REGULAR AGENDA**

**171070 [Accept and Expend Gift - Comfort Women Justice Coalition - Gift of Artwork and Funds for the Maintenance of the Artwork Entitled "Comfort Women's" Column of Strength - Total Gift Value of 398,000]**

**Sponsors: Kim; Fewer, Peskin and Ronen**

Resolution retroactively authorizing the San Francisco Arts Commission to accept a gift of art entitled The "Comfort Women's" Column of Strength valued at \$190,000 and accept and expend a donation from the "Comfort Women" Justice Coalition of \$208,000 for the purpose of maintaining the artwork titled the "Comfort Women's" Column of Strength for a period not less than 20 years.

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

10/17/17; SUBSTITUTED AND ASSIGNED to Budget and Finance Committee. Supervisor Kim introduced a substitute Resolution bearing a new title.

10/26/17; AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE. Heard in Committee. Speakers: Susan Pontious, Program Director (Arts Commission); Ivy Lee (Office of Supervisor Jane Kim); provided an overview and responded to questions raised throughout the discussion. Gwyn Kirk; Grace Shimizu; Inez Hollander, Ph.D.; spoke in support of the hearing matter.

10/26/17; CONTINUED AS AMENDED.

*(Vice Chair Ronen requested to be added as a co-sponsor.)*

*Heard in Committee. Speakers: Lillian Sing; Michael Wong; Judith Mirkinson; spoke in support of the hearing matter. Female Speaker; Female Speaker; Female Speaker; Female Speaker; Male Speaker; Male Speaker; spoke in opposition to the hearing matter.*

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

Ayes: 3 - Cohen, Tang, Ronen

Excused: 1 - Yee

**171038 [Emergency Declaration - Repair of the Moccasin Powerhouse Unit 2 Generator Step-up Transformer - Total Estimated Cost Not to Exceed \$400,000]**

Resolution approving an emergency declaration of the San Francisco Public Utilities Commission (SFPUC) pursuant to San Francisco Administrative Code, Section 6.60, to repair the buswork and bushings on the Moccasin Powerhouse Unit 2 generator step-up transformer, with a total estimated cost not to exceed \$400,000. (Public Utilities Commission)  
(Fiscal Impact)

09/25/17; RECEIVED FROM DEPARTMENT.

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

*Heard in Committee. Speakers: Steve Ritchie (Public Utilities Commission); 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, Ronen

Excused: 1 - Yee

**171007 [Amendment Agreement - Exchange Easements in Connection with the Bay Division Pipeline Reliability Upgrade Project-Bay Tunnel]**

Resolution approving and authorizing a Second Amendment to an agreement to exchange interests in real property to grant the Midpeninsula Regional Open Space District a permanent, non-exclusive public trail easement in exchange for a quitclaim to the City and County of San Francisco of an open space easement over real property owned by the City and County of San Francisco, as part of the San Francisco Public Utilities Commission Water System Improvement Program-Funded Project CUW36801, Bay Division Pipeline Reliability Upgrade-Bay Tunnel; and authorizing the General Manager of the San Francisco Public Utilities Commission, or Director of Property to execute documents, make certain modifications and take certain actions in furtherance of this Resolution, as defined herein. (Public Utilities Commission)

09/18/17; RECEIVED FROM DEPARTMENT.

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

*Heard in Committee. Speaker: Brian Morelli (Public Utilities Commission); 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, Ronen

Excused: 1 - Yee

**171113 [Multifamily Housing Revenue Bond - 1500 Mission Street Apartments - Not to Exceed \$325,000,000]**

**Sponsor: Mayor**

Resolution authorizing the issuance and sale of multifamily housing revenue bonds in an aggregate principal amount not to exceed \$325,000,000 for the purpose of providing financing for the acquisition, development and construction of a 550-unit, mixed income, multifamily rental housing project located in the City at 1500-1580 Mission Street; approving the form of and authorizing the execution of an indenture of trust providing the terms and conditions of the bonds and authorizing the issuance thereof; approving the form of and authorizing the execution of a regulatory agreement and declaration of restrictive covenants; approving the form of and authorizing the execution of a loan agreement; approving the form of and authorizing the execution of a bond purchase agreement; authorizing the collection of certain fees; ratifying and approving any action heretofore taken in connection with the bonds and the Project, as defined herein; granting general authority to City officials to take actions necessary to implement this Resolution, as defined herein; and related matters, as defined herein.

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

*Heard in Committee. Speaker: Adam Cray (Mayor's Office of Housing and Community Development); provided an overview and responded to questions raised throughout the discussion.*

**Chair Cohen moved that this Resolution be CONTINUED to the Budget and Finance Committee meeting of November 9, 2017. The motion carried by the following vote:**

Ayes: 3 - Cohen, Tang, Ronen

Excused: 1 - Yee

**171040 [Contract Amendment No. 3 - New Flyer of America, Inc. - Purchase of Low Floor Diesel-Hybrid Buses - Not to Exceed \$413,774,673]**

Resolution approving Amendment No. 3 to Contract No. CPT 713 (Procurement of 40-Ft and 60-Ft Low Floor Diesel Hybrid Coaches) with New Flyer of America Inc., to revise the list of spare parts and special tools and to include the list of additional equipment added to the vehicles during the production phase of the Contract, for an additional amount of \$1,504,252 and a total contract amount not to exceed \$413,774,673 with no change to the term of the contract. (Municipal Transportation Agency)  
(Fiscal Impact)

09/25/17; RECEIVED FROM DEPARTMENT.

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

*Heard in Committee. Speakers: Gary Chang (Municipal Transportation Agency); 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, Ronen

Excused: 1 - Yee

**171077 [Real Property Lease Renewal - 1145 Market LP - 1145 Market Street - San Francisco Law Library - \$1,180,000 Initial Annual Base Rent]**

Resolution authorizing the exercise of an option to extend the term of a Lease for approximately 20,000 square feet, consisting of a portion of the second floor and entire fourth floor at 1145 Market Street, for the San Francisco Law Library, with 1145 Market Street LP, a California limited partnership, for five years, subject to City's right to terminate, for the period of July 1, 2018, to June 30, 2023, at a monthly base rent of \$98,333.33 for a total annual base rent of 1,180,000 in the initial year with 3% annual increases. (Real Estate Department)  
(Fiscal Impact)

10/02/17; RECEIVED FROM DEPARTMENT.

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

*Heard in Committee. Speakers: Claudia Gorham (Real Estate Division); Jon Givner (Office of the City Attorney); 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 CONTINUED TO CALL OF THE CHAIR. The motion carried by the following vote:**

Ayes: 3 - Cohen, Tang, Ronen

Excused: 1 - Yee

**171078 [Airport Professional Services Agreement Modification No. 10 - CAGE Professional Services, Inc. dba CAGE, Inc. - International Terminal Checked Baggage Handling Projects - Not to Exceed \$10,695,000, and Further Modifications Not to Exceed \$14,500,000]**

Resolution approving Modification No. 10 to Airport Contract No. 9024.9, Construction Management Services for the International Terminal Checked Baggage Inspection System Modernization Program and Baggage Handling System Improvements Project, with CAGE Professional Services, Inc. dba CAGE, Inc., for a total amount not to exceed \$10,695,000 for services through September 30, 2018, pursuant to Charter, Section 9.118(b); and approving an amount for further modifications to increase the total amount not to exceed \$14,500,000 for services through December 31, 2020. (Airport Commission)  
(Fiscal Impact)

09/25/17; RECEIVED FROM DEPARTMENT.

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

*Heard in Committee. Speakers: Cathy Widener (San Francisco International Airport); 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 AMENDED to provide for retroactive approval to September 30, 2017. The motion carried by the following vote:**

Ayes: 3 - Cohen, Tang, Ronen  
Excused: 1 - Yee

Resolution retroactively approving Modification No. 10 to Airport Contract No. 9024.9, Construction Management Services for the International Terminal Checked Baggage Inspection System Modernization Program and Baggage Handling System Improvements Project, with CAGE Professional Services, Inc. dba CAGE, Inc., for a total amount not to exceed \$10,695,000 for services through September 30, 2018, pursuant to Charter, Section 9.118(b); and approving an amount for further modifications to increase the total amount not to exceed \$14,500,000 for services through December 31, 2020. (Airport Commission)  
(Fiscal Impact)

*(Vice Chair Ronen dissented in Committee.)*

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

Ayes: 2 - Cohen, Tang  
Noes: 1 - Ronen  
Excused: 1 - Yee

**171079 [Lease Agreement - Wells Fargo Bank, N.A. - Automated Teller Machines - \$475,000 Minimum Annual Guarantee]**

Resolution approving the Domestic Terminals Automated Teller Machines Lease A No. 17-0194 between Wells Fargo Bank, N.A., and the City and County of San Francisco, acting by and through its Airport Commission, for a term of five years, to commence following Board approval, with a two-year option to extend, and a minimum annual guarantee of \$475,000 for the first year of the Lease. (Airport Commission)

(Fiscal Impact)

09/27/17; RECEIVED FROM DEPARTMENT.

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

*Heard in Committee. Speakers: Cathy Widener (San Francisco International Airport); 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, Ronen

Excused: 1 - Yee

*Chair Cohen requested File Nos. 171080 and 171081 be called together.*

**171080 [2011 Airport Lease and Use Agreement - Air Pacific Limited dba Fiji Airways]**

Resolution approving the terms of 2011 Lease and Use Agreement No. 17-0184 between the City and County of San Francisco, acting by and through its Airport Commission, and Air Pacific Limited dba Fiji Airways to conduct flight operations at San Francisco International Airport, for the lease term to commence following Board approval through June 30, 2021. (Airport Commission)

09/28/17; RECEIVED FROM DEPARTMENT.

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

*Heard in Committee. Speakers: Cathy Widener (San Francisco International Airport); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.*

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

Ayes: 3 - Cohen, Tang, Ronen

Excused: 1 - Yee

**171081 [2011 Airport Lease and Use Agreement - Air India Limited]**

Resolution approving the terms of 2011 Lease and Use Agreement No. 17-0183 between the City and County of San Francisco, acting by and through its Airport Commission, and Air India Limited to conduct flight operations at San Francisco International Airport, for the lease term to commence following Board approval through June 30, 2021. (Airport Commission)

09/28/17; RECEIVED FROM DEPARTMENT.

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

*Heard in Committee. Speakers: Cathy Widener (San Francisco International Airport); Severin Campbell (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion. Anand Singh; spoke in opposition to the hearing matter.*

**Vice Chair Ronen moved that this Resolution be CONTINUED TO CALL OF THE CHAIR. The motion carried by the following vote:**

Ayes: 3 - Cohen, Tang, Ronen

Excused: 1 - Yee

## ADJOURNMENT

*There being no further business, the Budget and Finance Committee adjourned at the hour of 11:23 a.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.*