

RESOLUTION NO. 86-2009

Adopted August 4, 2009

AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A SECURITY SERVICES COOPERATIVE AGREEMENT WITH THE UNITED STATES DEPARTMENT OF THE NAVY FOR A ONE-YEAR TERM WITH FOUR ONE-YEAR EXTENSIONS FOR SECURITY SERVICES PAID WITH NON-AGENCY FUNDS AT HUNTERS POINT SHIPYARD; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

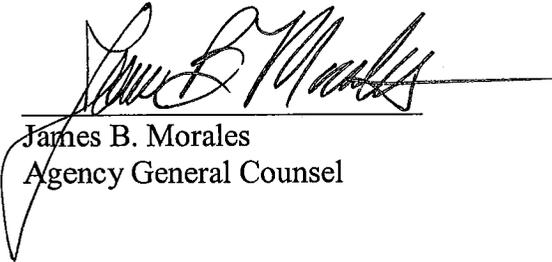
1. On April 29, 2004, by Resolution No. 50-2004, the Agency Commission authorized the Executive Director to execute a conveyance agreement with the United States Department of the Navy (the "Navy") for the phased transfer of the Hunters Point Shipyard (the "Shipyard") to the Redevelopment Agency of the City and County of San Francisco (the "Agency").
2. As part of this conveyance, the Agency is required to provide security services at the Shipyard under a security services cooperative agreement, which is a supplementary document to the conveyance agreement between the Agency and the Navy. Under the cooperative agreement, which became effective October 1, 2004, the Agency selects and hires a security services provider, and the landowner or tenant pays the invoices.
3. The Agency currently provides patrol and security services at the Shipyard through a personal services contract with McCoy's Patrol Service, a California corporation, which was selected through a Request for Proposals process (the "Contract"). The Agency Commission approved the Contract on December 2, 2008, by Resolution No. 143-2008. The Contract expires on December 31, 2011, but includes two additional, one-year terms.
4. As required under the security services cooperative agreement, the Contract is funded with non-Agency funds. Specifically, the Contract is paid with a combination of funds gathered on a pro rata share basis from (i) the Navy, (ii) the Shipyard master developer and other vertical developers, and (iii) tenants at the Shipyard, as appropriate. The pro rata amounts gathered from the Navy, applicable Shipyard developers and applicable Shipyard tenants shift over time, depending on land ownership and tenancy. As the Navy conveys parcels to the Agency, the Navy reduces its funding contribution proportionately. Shipyard tenants and developers are required to pay their pro rata share of security costs as conditions to their contracts with the Agency.

5. The Agency's current security services cooperative agreement with the Navy expires on September 30, 2009. In order to ensure uninterrupted security services at the Shipyard, the Navy and the Agency desire to enter into a new security services cooperative agreement (the "Agreement") under the same terms and conditions as the previous cooperative agreement, with minor modifications. The term of the Agreement will run for one year, with four one-year extensions, commencing on October 1, 2009 and expiring on September 30, 2014.
6. The first year of the Agreement is expected to cost an amount not to exceed \$254,772. Each subsequent year budget, which shall increase by no less than four percent, is negotiated between the Agency and the Navy, and then added to the Agreement administratively.
7. The Agreement is not a project as defined by the California Environmental Quality Act ("CEQA") in CEQA Guidelines Section 15378(b)(5) because (i) the action will allow for the provision of security and patrol services within a redevelopment project area and is a normal administrative activity of the Agency, (ii) will not change conditions in the Shipyard, (iii) will not independently result in a physical change in the environment, and (iv) is not subject to environmental review under CEQA.
8. Staff recommends approval of the Agreement with the Navy for security services at the Shipyard.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that the Executive Director is authorized to execute a Security Services Cooperative Agreement with the United States Department of the Navy for a one-year term with four one-year extensions for security services paid with non-Agency funds at Hunters Point Shipyard, substantially in the form lodged with the Agency General Counsel.

APPROVED AS TO FORM:


James B. Morales
Agency General Counsel