

MINUTES
WAR MEMORIAL BOARD OF TRUSTEES
REGULAR MEETING

Thursday, September 13, 2012

The Board of Trustees of the War Memorial of San Francisco met in regular session at 2:00 p.m. on Thursday, September 13, 2012, in the Trustees' Board Room, War Memorial Opera House, President Shultz presiding.

ROLL CALL

Present: President Shultz, Vice President Myatt, Trustee Bashford, Trustee Bechtle, Trustee Davis, Trustee Horn, Trustee Jarman, Trustee Moscone, Trustee Stafford, Trustee Wilsey;

Absent: Trustee Pelosi

Staff Present: Elizabeth Murray, Managing Director
Jennifer Norris, Assistant Managing Director/Executive Secretary

APPROVAL OF MINUTES

President Shultz called for approval of the minutes of the August 9, 2012 regular meeting of the Board. On motion of Vice President Myatt, seconded by Trustee Wilsey, the minutes were unanimously approved.

PRESIDENT'S REPORT

San Francisco Opera/San Francisco Symphony Seasons: President Shultz reported that the San Francisco Opera opened its 2012 Fall Season on September 7, with a performance of *Rigoletto* and opening night festivities. She reported that the San Francisco Symphony will open its 2012-13 Season on September 19, including pre-and post-concert festivities. President Shultz extended best wishes to the Opera and Symphony on their upcoming seasons.

Change in today's Agenda: President Shultz reported a change in the order of today's agenda and stated that Public Comment will be heard before Regular Item #3.

MANAGING DIRECTOR'S REPORT

Rental Requests: Ms. Murray reported that rental requests mailed to Trustees are routine and requested their approval. On motion of Trustee Moscone, seconded by Trustee Wilsey, the following resolution was unanimously adopted:

RESOLUTION NO. 12-27

RESOLVED, By the Board of Trustees of the War Memorial of San Francisco that the following rental requests are hereby approved:

WAR MEMORIAL OPERA HOUSE

Innovation Arts & Entertainment	May 5, 2013	\$2,500.00 vs 10%
David Sedaris		\$6,750.00 maximum

HERBST THEATRE

The Bully Project Documentary Screening for SFUSD Students	September 13, 2012	\$575.00
Riverwalk Jazz A Memorial Concert for Chuck Huggins	September 22, 2012	\$825.00
KPMG Company Meeting	December 4, 2012	\$1,400.00
Long Now Foundation Terry Hunt & Carl Lipo George Dyson	January 17, 2013 March 19, 2013	\$1,650.00
Philharmonia Baroque Orchestra Rehearsal Days	April 8 & 9, 2013	\$1,450.00

Update on Temporary Closure of Zellerbach Rehearsal Hall: Ms. Murray reported that the emergency water remediation project in Zellerbach Rehearsal Hall was completed as of yesterday, September 12, and noted that Zellerbach Room C has now been re-opened for activity. She stated that the total final cost of the emergency work was \$264,000, and the total revenue loss to the War Memorial was \$12,750. Ms. Murray stated that while this project was costly, early detection of water intrusion and immediate initiation of remediation work prevented more widespread water damage.

Appeal of Veterans Building Certificate of Appropriateness: Ms. Murray reported that on August 17, 2012, the American Legion War Memorial Commission filed an appeal of the Historic Preservation Commission's approval of a Certificate of Appropriateness for exterior rehabilitations as part of the Veterans Building Seismic Upgrade and Improvements Project. She reported that in the appeal documents, the Commission has stated its reason for the appeal to be the lack of requirements in the approval motion for Planning Department staff to review mock-ups of new skylights to assure their matching existing skylight profiles.

Ms. Murray reported that a hearing on this appeal has been scheduled by the Board of Appeals for September 19, 2012 at 5:00 p.m., at which time the appellant – the Commission – and the respondents, the Historic Preservation Commission and the Department of Public Works, will make presentations for consideration by the Board of Appeals.

SECRETARY'S REPORT

Revenue, Appropriations and Housekeeping Expenditures Reports for August 2012: Ms. Norris referred to the Revenue, Appropriations, and Housekeeping Expenditures Reports for August 2012, and requested approval of housekeeping expenditures as submitted. On motion of Trustee Horn, seconded by Trustee Wilsey, the following resolution was unanimously adopted:

RESOLUTION NO. 12-28

RESOLVED, By the Board of Trustees of the War Memorial of San Francisco that Purchase Order Nos. DP13036 through DP13065 and Interdepartmental Work Order Nos. RE13003 and RE13004 are hereby approved.

REGULAR ITEMS

Request from San Francisco Symphony, Opera and Ballet – Renewal of Preferred Wine Partnership with E&J Gallo Winery: Beth Murray stated that in June 2008, the Trustees adopted a resolution authorizing the San Francisco Symphony, Opera and Ballet to offer as part of their Wine Sales Opportunity Proposal the exclusive pourage rights of red, white and sparkling wines at all intermission bars in the Opera House, Davies Symphony Hall and Herbst Theatre subject to conditions including: 1) that costs to the War Memorial's concessionaire for wine products to be sold at intermission bars shall be similar to and no higher than the concessionaire's current wine products costs; 2) that permission is extended on a one-time basis for a three-year period only, and does not apply to, nor set precedent for similar future proposals; and 3) that all on-site signage displays, etc., recognizing the wine partner are subject to War Memorial approval.

Ms. Murray stated that subsequent to the Board's action, the Symphony, Opera and Ballet entered into a wine partnership arrangement with E&J Gallo Winery for the three-season period from September 2009 to August 2012. Under this arrangement, the Symphony, Opera and Ballet received in-kind wine donations from E&J Gallo for special events and Gallo has worked with Patina Catering to feature their portfolio of wines at intermission bars, including the exclusive house wine and a variety of other call wines.

Ms. Murray stated that the Symphony, Opera and Ballet desire to renew their preferred wine partnership with E&J Gallo for the next two seasons, 2012-13 and 2013-14, and they are requesting the Board's authorization to continue granting to E&J Gallo exclusive pourage rights of red, white and sparkling wines at intermission bars for the two-year renewal period.

Katie Nicely, Acting Director of Development for the San Francisco Symphony, stated that E&J Gallo was the only qualified respondent to the Symphony/Opera/Ballet 2008 wine partnership request for proposal. She noted that the wine partnership arrangement has worked extremely well for all of the parties during the last three years and has provided a wide range of wine products at reasonable cost for Performing Arts Center patrons. Ms. Nicely said the Symphony, Opera and Ballet desire to continue this arrangement for the next two seasons.

Susan Serpanchy, Acting General Manager of Patina Catering, stated that the wine partnership arrangement has been both beneficial and flexible, providing a premium experience for the consumer while also meeting Patina's requirement for a low price point.

Following discussion, and on motion of Trustee Bashford, seconded by Trustee Moscone, the following resolution was unanimously adopted:

RESOLUTION NO. 12-29

RESOLVED, By the Board of Trustees of the War Memorial of San Francisco that it approves the request of the San Francisco Symphony, Opera and Ballet to grant exclusive pourage rights of red, white and sparkling wines at intermission bars in the Opera House, Davies Symphony Hall and Herbst Theatre for the next two performance seasons as part of the renewed Symphony/Opera/Ballet preferred wine partnership with E&J Gallo subject to the conditions set forth in the Trustees' original approval of the preferred wine partnership.

Relocation of American Legion Posts during Veterans Building Closure – Disclosure of advice to the Board of Trustees from the City Attorney: Ms. Murray stated that at last month's meeting, issues relating to the temporary relocation of Veterans Building occupants during the Veterans Building Seismic Construction period were referred to the Board's Veterans Building Project Committee for consideration and adoption of recommendations. She stated that to assist the Board in considering relocation issues, staff requested and received an advice memorandum from the City Attorney concerning relocation of American Legion Posts during the Veterans Building closure. Ms. Murray noted that as is the case with all advice memoranda issued by the City Attorney, this memorandum has been issued to the Trustees as a privileged and confidential communication. To assure transparency in consideration of relocation issues, Ms. Murray said that staff is recommending the Trustees take action to waive confidentiality and release this advice memorandum to members of the public.

Following discussion, and on motion of Vice President Myatt, seconded by Trustee Bechtle, the following resolution was unanimously adopted:

RESOLUTION NO. 12-30

RESOLVED, By the Board of Trustees of the War Memorial of San Francisco it hereby waives confidentiality and releases to members of the public the August 30, 2012 advice memorandum from the City Attorney regarding "Relocation of American Legion Posts During Veterans Building Closure."

Trustee Horn, Chair of the Veterans Building Project Committee, stated that a meeting of the Veterans Building Project Committee is being scheduled on Thursday, October 11, 2012 at 1:00 p.m. to consider issues relating to the temporary relocation of Veterans Building occupants during the Veterans Building Seismic Upgrade and Improvements Project.

PUBLIC COMMENT

Nelson Lum, Chair of the American Legion War Memorial Commission, cited two recent legal cases, one in Santa Cruz and one in Los Angeles, in which American Legion posts were asked to vacate veterans' buildings due to building renovations without the guarantee of temporary relocation during the renovation and without the guarantee of the same space upon returning after the renovation. He stated that in both cases the American Legion won these cases. Mr. Lum stated that he would like to enter into negotiations with the Trustees regarding the Veterans Building without having to go to litigation.

REGULAR ITEMS

Evaluation of Managing Director: President Shultz stated that, in keeping with the City's Performance Plan and Appraisal Report Program for Employees, the Board will meet today in closed session to review the performance plan and appraisal for the War Memorial Managing Director. President Shultz called for any public comment on matters pertaining to the closed session and there being none, she asked for a motion to enter into closed session. On motion of Vice President Myatt, seconded by Trustee Moscone, the Board of Trustees voted unanimously to convene in closed session pursuant to San Francisco Administrative Code Section 67.10(b) and Government Code Section 54957, to consider the performance plan and appraisal of a public employee, Managing Director Elizabeth Murray.

CLOSED SESSION

RECONVENE IN OPEN SESSION

President Shultz reconvened the meeting in open session. President Shultz called for a motion not to disclose any of the discussion during the closed session, and on motion of Trustee Moscone, seconded by Trustee Horn, the Board of Trustees voted unanimously not to disclose any of the discussion during the closed session.

President Shultz reported that during the closed session, Trustees completed the Managing Director's performance appraisal for 2011-12, and approved performance plan objectives for 2012-13.

ADJOURNMENT

There being no further business, President Shultz adjourned the meeting at 3:10 p.m.

Jennifer E. Norris
Executive Secretary