



City and County of San Francisco
Meeting Minutes
Government Audit and Oversight Committee

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Members: Dean Preston, Connie Chan, Rafael Mandelman

Clerk: John Carroll (415) 554-4445

Thursday, April 15, 2021

10:00 AM

Regular Meeting

Present: 3 - Dean Preston, Connie Chan, and Rafael Mandelman

The Government Audit and Oversight Committee met in regular session through videoconferencing, and provided public comment through teleconferencing, on Thursday, April 15, 2021, with Chair Dean Preston presiding. Chair Preston called the meeting to order at 10:01 a.m.

Remote Access to Information and Participation

In accordance with Governor Newsom's Executive Order No. N-33-20 declaring a State of Emergency regarding the COVID-19 outbreak and Mayor London N. Breed's Proclamation declaring a Local Emergency issued on February 25, 2020, including the guidance for gatherings issued by the San Francisco Department of Public Health Officer, aggressive directives were issued to reduce the spread of COVID-19. On March 17, 2020, the Board of Supervisors authorized their Board and Committee meetings to convene remotely (via Microsoft Teams) and will allow remote public comment via teleconference. Visit the SFGovTV website at (www.sfgovtv.org) to stream the live meetings, or to watch meetings on demand.

Members of the public are encouraged to participate remotely via detailed instructions on participating via teleconference available at: <https://sfbos.org/remote-meeting-call>. Members of the public may participate by phone or may submit their comments by email to: john.carroll@sfgov.org; all comments received will be made a part of the official record. Regularly-scheduled Government Audit and Oversight Committee Meetings begin at 10:00 a.m. on the first and third Thursdays of each month. Committee agendas and their associated documents are available at <https://sfbos.org/committees>.

ROLL CALL AND ANNOUNCEMENTS

On the call of the roll, Chair Preston, Vice Chair Chan, and Member Mandelman were noted present. A quorum was present.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

210349 [Hearing - City Whistleblower Program and Most Recent Whistleblower Report]

Sponsor: Preston

Hearing on the most recent Whistleblower Report from the Office of the City Controller and to review the status of the City's Whistleblower Program; and requesting the Office of the Controller to report.

04/06/21; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Heard in Committee. Speakers: Mark de la Rosa, Dave Jensen, and Todd Rydstrom (Office of the Controller); presented information and answered questions raised throughout the discussion. David Pilpel; John Holden; spoke on various concerns relating to the hearing matter.

Chair Preston moved that this Hearing be HEARD AND FILED. The motion carried by the following vote:

Ayes: 3 - Preston, Chan, Mandelman

210200 [Concurring in Actions to Meet Local Emergency - Coronavirus Response - Thirty-Fifth Supplement]

Sponsor: Walton

Motion concurring in actions taken by the Mayor in the Thirty-Fifth Supplement to the Proclamation of Emergency to meet the ongoing local emergency related to the novel coronavirus COVID-19 pandemic by allowing departments to extend COVID-19-related contracts through a streamlined process for an additional twelve months; allowing the Civil Service Commission to approve emergency personal service contracts without requiring advance union notification otherwise required by memoranda of understanding; authorizing the Controller to adopt a policy concerning streamlined approval of certain amendments to non-COVID-19-related contracts; and authorizing the Controller to adopt a policy under which the City may provide expedited payments of funds covering cost-of-doing-business or cost-of-living increases to nonprofit organizations that provide services under existing agreements with the City.

02/23/21; REFERRED FOR ADOPTION WITHOUT COMMITTEE REFERENCE AGENDA AT THE NEXT BOARD MEETING.

03/02/21; REFERRED to Government Audit and Oversight Committee.

Heard in Committee. Speakers: Todd Rydstrom and Sailaja Kurella (Office of the Controller); presented information and answered questions raised throughout the discussion. David Pilpel; spoke on various concerns relating to the hearing matter.

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

Ayes: 3 - Preston, Chan, Mandelman

LITIGATION

Chair Preston requested that File Nos. 210245, 210246, 210247, 210329, 210330, 210331, 210332, 210248, 210249, 210333, and 210334 be heard together.

Heard in Committee. Speakers: Anne Pearson, Yvonne Mere, and Ronald Flynn (Office of the City Attorney); presented information and answered questions raised throughout the discussion. John Holden; David Pilpel; spoke on various concerns relating to the litigation agenda.

Conference with City Attorney

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

Motion that the Government Audit and Oversight 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 litigation and anticipated litigation. 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.

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

The Deputy City Attorney reported that the Government Audit and Oversight Committee has met in closed session with the City Attorney, under the provisions of Government Code Section 54956.9 (a) and Administrative Code Section 67.8 (3), for the purpose of conferring with, or receiving advice from, the City Attorney regarding settlements in the lawsuits or claims listed above.

Persons in attendance: Anne Pearson, Yvonne Mere, and Ronald Flynn (Office of the City Attorney); Alisa Somera and John Carroll (Office of the Clerk of the Board).

Chair Preston moved to convene in closed session. The motion carried by the following vote:

Ayes: 3 - Preston, Chan, Mandelman

210245 [Settlement of Lawsuit - Frank Villa - \$64,250]

Ordinance authorizing settlement of the lawsuit filed by Frank Villa against the City and County of San Francisco for \$64,250; the lawsuit was filed on May 14, 2019, in San Francisco Superior Court, Case No. CGC-19-575979; entitled Frank Villa v. City and County of San Francisco, et al.; the lawsuit involves alleged personal injury from a fall in a City parking lot. (City Attorney)

03/05/21; RECEIVED FROM DEPARTMENT.

03/16/21; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED by the following vote:

Ayes: 3 - Preston, Chan, Mandelman

210246 [Settlement of Lawsuit - Luis Angel Garcia Valencia - \$41,000]

Ordinance authorizing settlement of the lawsuit filed by Luis Angel Garcia Valencia against the City and County of San Francisco for \$41,000; the lawsuit was filed on November 30, 2018, in San Francisco Superior Court, Case No. CGC-18-571714; entitled Luis Angel Garcia Valencia v. City and County of San Francisco, et. al; the lawsuit involves alleged personal injury from a vehicle collision. (City Attorney)

03/05/21; RECEIVED FROM DEPARTMENT.

03/16/21; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED by the following vote:

Ayes: 3 - Preston, Chan, Mandelman

210247 [Settlement of Lawsuit - Jennifer Galarza - \$100,000]

Ordinance authorizing settlement of the lawsuit filed by Jennifer Galarza against the City and County of San Francisco for \$100,000; the lawsuit was filed on September 7, 2018, in San Francisco Superior Court, Case No. CGC-18-569532; entitled Jennifer Galarza v. City and County of San Francisco, et al.; the lawsuit involves an employment dispute. (City Attorney)

03/05/21; RECEIVED FROM DEPARTMENT.

03/16/21; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED by the following vote:

Ayes: 3 - Preston, Chan, Mandelman

210329 [Settlement of Lawsuit - Recology San Francisco, Sunset Scavenger Company, and Golden Gate Disposal and Recycling Company - San Francisco Refuse Ratepayers to Receive \$94,520,000 in Restitution; City to Receive \$7,000,000]

Ordinance authorizing settlement of the lawsuit filed by the City and County of San Francisco against Recology San Francisco, Sunset Scavenger Company, and Golden Gate Disposal and Recycling Company for payment of at least \$94,520,000 in restitution and related interest as well as \$7,000,000 in civil penalties; the lawsuit was filed on March 4, 2021, in San Francisco Superior Court, Case No. CGC-21-590091; entitled People of the State of California, acting by and through Dennis J. Herrera as City Attorney of San Francisco; and City and County of San Francisco v. Recology San Francisco, Sunset Scavenger Company, and Golden Gate Disposal and Recycling Company; the lawsuit involves Defendants' violations of California's Unfair Competition Law and San Francisco Campaign and Governmental Conduct Code based on improper overcharging of San Francisco refuse Ratepayers and unlawful gifts and contributions made to city employees and officers or to third-parties at their request; other material terms of the settlement are that Defendants agree to be bound to a four-year injunction to be presented and entered by the court after the settlement agreement is approved. (City Attorney)

03/19/21; RECEIVED FROM DEPARTMENT.

04/06/21; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED by the following vote:

Ayes: 3 - Preston, Chan, Mandelman

210330 [Settlement of Lawsuit - Elena Ruiz-Diaz and Mercedes Arroyo - \$600,000]

Ordinance authorizing settlement of the lawsuit filed by Elena Ruiz-Diaz and Mercedes Arroyo against the City and County of San Francisco for \$600,000; the lawsuit was filed on July 30, 2020, in San Francisco Superior Court, Case No. CGC-20-585869; entitled Elena Ruiz-Diaz, by and through her attorney-in-fact, Mercedes Arroyo, and Mercedes Arroyo, individually v. City and County of San Francisco, et al.; the lawsuit involves allegations of medical negligence, elder neglect/abuse, violations of the Patient's Bill of Rights, and negligent infliction of emotional distress concerning Ms. Ruiz-Diaz's care at Laguna Honda Hospital and Rehabilitation Center. (City Attorney)

03/22/21; RECEIVED FROM DEPARTMENT.

04/06/21; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED by the following vote:

Ayes: 3 - Preston, Chan, Mandelman

210331 [Settlement of Lawsuit - Armin Abdollahvand - \$50,000]

Ordinance authorizing settlement of the lawsuit filed by Armin Abdollahvand against the City and County of San Francisco for \$50,000; the lawsuit was filed on August 27, 2019, in San Francisco Superior Court, Case No. CGC-19-578732; entitled Armin Abdollahvand v. City and County of San Francisco, et al.; the lawsuit involves an alleged personal injury in a rear-end automobile collision involving a City employee. (City Attorney)

03/24/21; RECEIVED FROM DEPARTMENT.

04/06/21; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED by the following vote:

Ayes: 3 - Preston, Chan, Mandelman

210332 [Settlement of Lawsuit - Ramsey Abouremeleh - \$275,000]

Ordinance authorizing settlement of the lawsuit filed by Ramsey Abouremeleh against the City and County of San Francisco, et al. for \$275,000; the lawsuit was filed on January 5, 2021, in the Superior Court of California, County of San Francisco, Case No. CGC-21-588689; entitled Ramsey Abouremeleh v. City and County of San Francisco, et al.; the lawsuit involves an employment dispute. (City Attorney)

03/25/21; RECEIVED FROM DEPARTMENT.

04/06/21; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED by the following vote:

Ayes: 3 - Preston, Chan, Mandelman

210248 [Settlement of Unlitigated Claim - Shipt, Inc. - \$215,000]

Resolution approving the settlement of the unlitigated claim filed by Shipt, Inc. against the City and County of San Francisco for \$215,000; the claim was filed on July 24, 2020; the claim involves a refund of gross receipts taxes, penalties, and interest. (City Attorney)

03/05/21; RECEIVED FROM DEPARTMENT.

03/16/21; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED by the following vote:

Ayes: 3 - Preston, Chan, Mandelman

210249 [Settlement of Unlitigated Claim - Katherine Ripley - \$75,000]

Resolution approving the settlement of the unlitigated claim filed by Katherine Ripley against the City and County of San Francisco for \$75,000; the claim was filed on January 31, 2020; the claim involves alleged personal injury arising from the use of the South Sunset Athletic Field. (City Attorney)

03/05/21; RECEIVED FROM DEPARTMENT.

03/16/21; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED by the following vote:

Ayes: 3 - Preston, Chan, Mandelman

210333 [Settlement of Unlitigated Claim - Luis Hernandez - \$65,602]

Resolution approving the settlement of the unlitigated claim filed by Luis Hernandez against the City and County of San Francisco for \$65,602; the claim was filed on February 18, 2020; the claim involves a cast iron water main break that caused flooding to the property. (City Attorney)

03/22/21; RECEIVED FROM DEPARTMENT.

04/06/21; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED by the following vote:

Ayes: 3 - Preston, Chan, Mandelman

210334 [Settlement of Unlitigated Claim - Farmers Insurance Exchange - \$60,000]

Resolution approving the settlement of the unlitigated claim filed by Farmers Insurance Exchange against the City and County of San Francisco for \$60,000; the claim was filed on January 17, 2020; the claim involves property damage arising from sewer main pipe overflow as a result of heavy rain, which resulted in loss of business income. (City Attorney)

03/22/21; RECEIVED FROM DEPARTMENT.

04/06/21; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED by the following vote:

Ayes: 3 - Preston, Chan, Mandelman

[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.

Chair Preston moved not to disclose closed session deliberations. The motion carried by the following vote:

Ayes: 3 - Preston, Chan, Mandelman

ADJOURNMENT

There being no further business, the Government Audit and Oversight Committee adjourned at the hour of 1:35 p.m.

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