

GOVERNMENT AUDIT AND OVERSIGHT COMMITTEE CITY AND COUNTY OF SAN FRANCISCO MEETING MINUTES

Thursday, January 20, 2022 - 10:00 AM

Held via Videoconference
(remote public access provided via teleconference)
www.sfgovtv.org

Regular Meeting

Members: Dean Preston, Connie Chan, Rafael Mandelman

Clerk: John Carroll (415) 554-4445

Angela Calvillo, Clerk of the Board

BOARD COMMITTEES

Committee Membership

Budget and Appropriations Committee
Supervisors Haney, Safai, Mar, Ronen, Walton

Budget and Finance Committee
Supervisors Haney, Safai, Mar

Government Audit and Oversight Committee
Supervisors Preston, Chan, Mandelman

Land Use and Transportation Committee
Supervisors Melgar, Preston, Peskin

Public Safety and Neighborhood Services Committee
Supervisors Mar, Stefani, Haney

Rules Committee
Supervisors Peskin, Mandelman, Chan

Youth, Young Adult, and Families Committee
Supervisors Ronen, Safai, Melgar

Meeting Days

Wednesday
1:00 PM

Wednesday
10:30 AM

1st and 3rd Thursday
10:00 AM

Monday
1:30 PM

2nd and 4th Thursday
10:00 AM

Monday
10:00 AM

2nd Friday
10:00 AM

First-named Supervisor is Chair, Second-named Supervisor is Vice-Chair of the Committee.

Members Present: 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, January 20, 2022, with Chair Dean Preston presiding. Chair Preston called the meeting to order at 10:01 a.m.

Remote Access to Information and Participation

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 and Vice Chair Chan were noted present. Member Mandelman was noted not present. A quorum was present.

Member Mandelman was noted present at 10:03 a.m.

AGENDA CHANGES

There were no agenda changes.

COMMUNICATIONS

*John Carroll, Government Audit and Oversight Committee Clerk, instructed members of the public, when general public comment is called, to contribute live comments for up to two minutes by dialing the provided telephone number. When connected, they will receive another prompt to dial * 3 to be added to the queue to speak. Make sure to call from a quiet location, speak clearly and slowly, and turn down your television or radio. Written comments may be submitted through email (john.carroll@sfgov.org) or the U.S. Postal Service at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102.*

SPECIAL MEETING OF THE BOARD OF SUPERVISORS

Supervisors Ronen, Peskin and Stefani were noted present at 10:08 a.m.; thereby constituting a quorum of the board of supervisors. A special meeting of the board of supervisors was convened at 10:08 a.m.; although, the meeting was conducted in all respects as a committee meeting for items on the agenda and any substantive decisions constitute a recommendation of the committee and not action taken by the board.

Present: Supervisors Chan, Mandelman, Peskin, Preston, Ronen, and Stefani

REGULAR AGENDA

211160 [Hearing - Hiring Report on the Implementation of Mental Health SF]

Sponsors: Ronen; Peskin

Hearing on the report of the implementation of Mental Health SF, including positions funded in the Fiscal Years (FYs) 2020-2021 and 2021-2022 budgets, when the hiring process started for each position, when each position was actually filled, and how many positions continue to be vacant; and requesting the Department of Human Resources and Department of Public Health to report.

Heard in Committee. Speakers: Supervisor Hillary Ronen (Board of Supervisors); Dr. Hillary Kunins, Greg Wagner (Department of Public Health); Heather Littleton (Office of the Controller); presented information and answered questions raised throughout the discussion.

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

Ayes: 3 - Preston, Chan, Mandelman

Supervisor Peskin was noted absent at 11:25 a.m.

Supervisor Mar was noted present at 11:25 a.m.

Present: Supervisors Chan, Mandelman, Mar, Preston, Ronen, and Stefani

ADJOURNMENT OF THE BOARD OF SUPERVISORS

At the hour of 11:35 a.m., Supervisor Ronen was noted absent; thereby adjourning the Special Meeting of the Board of Supervisors.

220049 [Public Defender’s “MAGIC” (Mobilization for Adolescent Growth in our Communities) Programs in the Bayview and Fillmore/Western Addition Neighborhoods]

Sponsors: Walton; Preston, Chan, Mandelman and Safai

Resolution authorizing the Public Defender’s “MAGIC” (Mobilization for Adolescent Growth in our Communities) Programs in the Bayview and Fillmore/Western Addition Neighborhoods, and expressing the Board of Supervisors’ continued support for those programs.

Heard in Committee. Speakers: Manohar Raju, Public Defender (Office of the Public Defender); Lyslynn Lacoste, Director (B Magic); Brittany Ford, Director (Mo’Magic); presented information and answered questions raised throughout the discussion. Sheryl Davis, Director (Human Rights Commission); Monica Walters, Chief Executive Officer (Wu Yee Children’s Services); James; Joi Jackson-Morgan, Executive Director (3rd Street Youth Center and Clinic); Margaret Daoud-Gray (Tandem, Partners in Early Learning); spoke in support of the hearing matter.

Supervisor Mandelman requested to be added as a co-sponsor.

Member Mandelman moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Preston, Chan, Mandelman

211316 [Hearing - Public Integrity Audit - SFPUC's Social Impact Partnership Program]

Sponsors: Mar; Stefani and Preston

Hearing on the findings and recommendations of the Office of the Controller's City Services Auditor (CSA) Audit Division performance audit of the Social Impact Partnership (SIP) Program of the San Francisco Public Utilities Commission (SFPUC); and requesting the SFPUC, CSA, and Sjoberg Evashenk Consulting, Inc. to report.

Heard in Committee. Speakers: Supervisors Gordon Mar and Catherine Stefani (Board of Supervisors); Mark de la Rosa (Office of the Controller); Nicole Dyer (Sjoberg Evashenk Consulting); Ron Flynn (San Francisco Public Utilities Commission); presented information and answered questions raised throughout the discussion. Theresa Foglio-Ramirez (Laborers Local 261); Speaker; Eileen Boken; Francisco da Costa; Rudy Gonzalez (San Francisco Building and Construction Trades Council); spoke on various concerns relating to the hearing matter.

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

Ayes: 3 - Preston, Chan, Mandelman

LITIGATION

Chair Preston requested that File Nos. 211220, 211221, 211222, 211223, 211224, 211250, 220002, 211226, 211251, and 211252 be heard together.

Heard in Committee. Speakers: None.

Conference with City Attorney

Persons in attendance: Meredith Osborn (Office of the City Attorney); Erica Major 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

211220 [Settlement of Lawsuit - Peninsula Corridor Joint Powers Board - \$975,000]

Ordinance authorizing settlement of the lawsuit filed by Peninsula Corridor Joint Powers Board against the City and County of San Francisco for \$975,000; the lawsuit was filed on February 14, 2019, in the Superior Court of California, County of San Francisco, Case No. CGC-19-573781; entitled Peninsula Corridor Joint Powers Board v. Golden Bay Fence Plus Iron Works, Inc., et al.; the lawsuit involves alleged trespass onto the Peninsula Corridor Joint Powers Board's real property and damage to that property, including the severing of subsurface fiber optic lines; other material terms of the settlement are the Peninsula Corridor Joint Powers Board, in exchange for the payment of the settlement sum, agrees to dismiss the lawsuit in its entirety with prejudice and negotiate in good faith a lease for the City's use of real property located at or near 1920 Evans Street in San Francisco. (City Attorney)

Chair Preston moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Preston, Chan, Mandelman

211221 [Settlement of Lawsuit - Dacari Spiers - \$700,000]

Ordinance authorizing settlement of the lawsuit filed by Dacari Spiers against the City and County of San Francisco for \$700,000; the lawsuit was filed on March 6, 2020, in United States District Court, Northern District of California, Case No. 20-cv-01357-JSC; entitled Dacari Spiers v. City and County of San Francisco, et al.; the lawsuit involves an alleged civil rights violation. (City Attorney)

Chair Preston moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Preston, Chan, Mandelman

211222 [Settlement of Lawsuit - Brendan Mannix - \$225,000]

Ordinance authorizing settlement of the lawsuit filed by Brendan Mannix against the City and County of San Francisco for \$225,000; the lawsuit was filed on August 16, 2018, in San Francisco Superior Court, Case No. CGC-18-568967; entitled Brendan Mannix v. City and County of San Francisco; the lawsuit involves an employment dispute. (City Attorney)

Chair Preston moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Preston, Chan, Mandelman

211223 [Settlement of Lawsuit - Leadwell Global Property LLC - Stipulated Assessed Value of \$152,600,000]

Ordinance authorizing settlement of the lawsuit filed by Leadwell Global Property LLC against the City and County of San Francisco for a stipulated assessed value of the real property located at 1 Nob Hill Circle, aka 999 California Street, San Francisco, CA (Assessor's Parcel Block No. 0255, Lot No. 002) (the "Subject Property") of \$152,600,000 as of February 28, 2017, contingent upon the Assessment Appeals Board's approval; the lawsuit was filed on June 26, 2020, in San Francisco Superior Court, Case No. CGC-20-585163; entitled Leadwell Global Property LLC v. City and County of San Francisco, et al.; the lawsuit involves the assessed value of the Subject Property for property tax purposes as of the February 28, 2017, change in ownership date. (City Attorney)

Chair Preston moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Preston, Chan, Mandelman

211224 [Settlement of Lawsuit - Noel Clay - \$70,750]

Ordinance authorizing settlement of the lawsuit filed by Noel Clay against the City and County of San Francisco for \$70,750; the lawsuit was filed on January 16, 2019, in San Francisco Superior Court, Case No. CGC-19-572858; entitled Noel Clay v. City and County of San Francisco, Etelvina Blanco; the lawsuit involves an alleged injury when plaintiff's vehicle collided with a Department of Public Works vehicle. (City Attorney)

Chair Preston moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Preston, Chan, Mandelman

211250 [Settlement of Lawsuit - Antoine Fisher, Jayel Whitted, Tonya Lett - \$135,000]

Ordinance authorizing settlement of the lawsuit filed by Antoine Fisher, Jayel Whitted, and Tonya Lett against the City and County of San Francisco, et al., for \$135,000; the lawsuit was filed on July 2, 2019, in San Francisco Superior Court, Case No. CGC 19-577331; entitled Antoine Fisher, et al., vs. City and County of San Francisco, et al.; the lawsuit involves an employment dispute. (City Attorney)

Chair Preston moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Preston, Chan, Mandelman

220002 [Settlement of Lawsuit - Regina Tatevosyan - \$60,000]

Ordinance authorizing settlement of the lawsuit filed by Regina Tatevosyan against the City and County of San Francisco for \$60,000; the lawsuit was filed on March 7, 2019, in San Francisco Superior Court, Case No. CGC-19-574376; entitled Regina Tatevosyan v. City and County of San Francisco, et al.; the lawsuit involves alleged personal injury on a City sidewalk. (City Attorney)

Chair Preston moved that this Ordinance be RECOMMENDED. The motion carried by the following vote:

Ayes: 3 - Preston, Chan, Mandelman

211226 [Settlement of Unlitigated Claims - Luxe Valet, Inc. - \$243,233]

Resolution approving the settlement of the unlitigated claims filed by Luxe Valet, Inc. against the City and County of San Francisco for \$243,233 plus release of outstanding gross receipts tax and payroll expense tax liabilities and related penalties, interest, and fees for tax years 2015-2017; the claims were filed on July 25, 2019, and September 13, 2019; the claims involve a refund of parking, gross receipts, and payroll expense taxes. (City Attorney)

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

Ayes: 3 - Preston, Chan, Mandelman

211251 [Settlement of Unlitigated Claim - Peanut Wagon, Inc. - \$68,141.36]

Resolution approving the settlement of the unlitigated claim filed by Peanut Wagon, Inc. against the City and County of San Francisco for \$68,141.36; the claim was filed on July 15, 2021; the claim involves an alleged overpayment of property taxes. (City Attorney)

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

Ayes: 3 - Preston, Chan, Mandelman

211252 [Settlement of Unlitigated Claim - FC 5M M2 Exchange, LLC - \$890,852 plus statutory interest]

Resolution approving the settlement of the unlitigated claim filed by FC 5M M2 Exchange, LLC against the City and County of San Francisco for \$890,852 plus statutory interest; the claim was filed on May 25, 2021; the claim involves an alleged overpayment of real property transfer taxes. (City Attorney)

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

Ayes: 3 - Preston, Chan, Mandelman

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 3:28 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.

Approved by the Board of Supervisors on March 1, 2022.

Angela Calvillo, Clerk of the Board