



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, Catherine Stefani, Connie Chan

Clerk: Monique Crayton
(415) 554-7750 ~ monique.crayton@sfgov.org

Thursday, July 18, 2024

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

President Aaron Peskin appointed Supervisor Joel Engardio, in place of Supervisor Catherine Stefani, for the Government Audit and Oversight Committee meeting of July 18, 2024.

Present: 3 - Dean Preston, Connie Chan, and Joel Engardio

Excused: 1 - Catherine Stefani

The Government Audit and Oversight Committee met in regular session on Thursday, July 18, 2024, with Chair Dean Preston presiding. Chair Preston called the meeting to order at 10:10 a.m.

ROLL CALL AND ANNOUNCEMENTS

On the call of the roll, Chair Preston, and Member Chan were noted present. Vice Chair Stefani was noted not present. A quorum was present.

COMMUNICATIONS

Monique Crayton, Government Audit and Oversight Committee Clerk, instructed members of the public that public comment is taken on each item on the agenda. Alternatively, written comments may be submitted through email (monique.crayton@sfgov.org) or the U.S. Postal Service at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

240722 [Memorandum of Understanding - Service Employees International Union, Local 1021 - Staff and Per Diem Nurses - Amendment No. 1]

Sponsor: Mayor

Ordinance adopting and implementing the First Amendment to the 2024-2027 Memorandum of Understanding between the City and County of San Francisco and Service Employees International Union, Local 1021, Staff and Per Diem Nurses to address staffing and hiring of 2320 Registered Nurses and 2830 Public Health Nurses.

06/25/24; ASSIGNED to Government Audit and Oversight Committee. President Peskin waived the 30-day hold pursuant to Board Rule 3.22.

07/02/24; REFERRED TO DEPARTMENT. Referred to the Office of the Controller for cost analysis.

Heard in Committee. Speaker(s): Jonathan Wright (Human Resources Department); presented information and answered questions raised throughout the discussion.

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

Ayes: 2 - Preston, Chan

Absent: 1 - Stefani

Chair Stefani Excused from Attendance

Chair Preston moved that Chair Stefani be excused from attendance from the Government Audit and Oversight Committee Meeting of July 18, 2024. The motion carried by the following vote:

Ayes: 3 - Preston, Chan, Engardio

Excused: 1 - Stefani

240688 [Hearing - San Francisco Housing Authority's Faircloth to RAD Plan]**Sponsors: Preston; Peskin**

Hearing on San Francisco Housing Authority's Faircloth to RAD plan; and requesting the Mayor's Office of Housing and Community Development and the Housing Authority to report.

06/11/24; RECEIVED AND ASSIGNED to Public Safety and Neighborhood Services Committee.

06/18/24; REFERRED TO DEPARTMENT. Referred to the San Francisco Housing Authority and Mayor's Office of Housing and Community Development for informational purposes.

06/28/24; TRANSFERRED to Government Audit and Oversight Committee. President Peskin transferred this Hearing from Public Safety Neighborhood Services Committee to Government Audit and Oversight Committee.

Heard in Committee. Speaker(s): Dan Adams, Lydia Ely (Mayor's Office of Housing and Community Development); Dr. Tonia Lediju (San Francisco Housing Authority); presented information and answered questions raised throughout the discussion. Charlie Sciammas (Council of Community Housing Organizations); spoke in support of the matter.

Chair Preston moved that this Hearing be CONTINUED TO CALL OF THE CHAIR. The motion carried by the following vote:

Ayes: 3 - Preston, Chan, Engardio

Excused: 1 - Stefani

LITIGATION

Chair Preston requested File Nos. 240628, 240670, 240714, 240715, and 240716 be called together.

Heard in Committee. Speaker(s): None.

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 (Office of the City Attorney); Monique Crayton (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, Engardio

Excused: 1 - Stefani

240628 [Settlement of Unlitigated Claims against The Kroger Co. - City to Receive Approximately \$1,300,000 to \$3,400,000 Over 11 Years]

Resolution authorizing settlement of unlitigated claims on behalf of the City and County of San Francisco and the People of the State of California against The Kroger Co. for abatement funds in the range of \$1,300,000 to \$3,400,000 to be paid over 11 years; the claims relate to The Kroger Co.'s allegedly improper and unlawful dispensing of prescription opioids at its pharmacies, which contributed to the epidemic of opioid abuse and misuse and caused a public nuisance. (City Attorney)

05/31/24; RECEIVED FROM DEPARTMENT.

06/11/24; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Preston, Chan, Engardio

Excused: 1 - Stefani

240670 [Settlement of Lawsuit - Dora Barnes - \$27,500]

Ordinance authorizing settlement of the lawsuit filed by Dora Barnes against the City and County of San Francisco for \$27,500; the lawsuit was filed on February 2, 2021, in San Francisco Superior Court, Case No. CGC-21-589587; entitled Dora Barnes v. City and County of San Francisco, et al.; the lawsuit involves an employment dispute. (City Attorney)

06/04/24; RECEIVED FROM DEPARTMENT.

06/18/24; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Preston, Chan, Engardio

Excused: 1 - Stefani

240714 [Settlement of Lawsuit - Sarah Perata - \$575,000]

Ordinance authorizing settlement of the lawsuit filed by Sarah Perata against the City and County of San Francisco for \$575,000; the lawsuit was filed on April 19, 2021, in the U.S. District Court, Northern District of California, Case No. 4:21-cv-02819; entitled Sarah Perata v. City and County of San Francisco; the lawsuit involves an employment dispute. (City Attorney)

06/18/24; RECEIVED FROM DEPARTMENT.

07/02/24; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Preston, Chan, Engardio

Excused: 1 - Stefani

240715 [Settlement of Lawsuit - Robert Lasky - City to Receive \$100,000]

Ordinance authorizing settlement of the lawsuit filed by Robert Lasky against City and County of San Francisco for a payment to the City of \$100,000; the lawsuit was filed on August 13, 2021, in San Francisco County Superior Court Case No. CGC-21-594463; entitled Robert Lasky v. City and County of San Francisco, et al.; the lawsuit involves personal injuries sustained on a utility vault owned by Defendant/Cross-Defendant Pacific Bell Telephone Company and embedded in a City sidewalk; other material terms of the settlement are a payment to Plaintiff by Defendant/Cross-Defendant Pacific Bell Telephone Company. (City Attorney)

06/21/24; RECEIVED FROM DEPARTMENT.

07/02/24; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Preston, Chan, Engardio

Excused: 1 - Stefani

240716 [Settlement of Lawsuit - RES System 3, LLC - \$2,600,000]

Ordinance authorizing settlement of the lawsuit filed by RES System 3, LLC against the City and County of San Francisco for \$2,600,000; the lawsuit was filed on September 26, 2022, in San Francisco Superior Court, case number CGC-22-601949, and later transferred to Alameda County Superior Court, case number 23-CV-037877; entitled RES System 3, LLC v. City and County of San Francisco Public Utilities Commission; the lawsuit involves alleged breach of contract and related cost impacts arising from the design and construction of the Warnerville electrical substation in Oakdale, California; other material terms of the settlement are a mutual release of claims between the parties with limited exceptions for latent defects and warranty items. (City Attorney)

06/21/24; RECEIVED FROM DEPARTMENT.

07/02/24; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Preston, Chan, Engardio

Excused: 1 - Stefani

[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, Engardio

Excused: 1 - Stefani

ADJOURNMENT

There being no further business, the Government Audit and Oversight Committee adjourned at the hour of 11:59 a.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.