



**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: London Breed, Katy Tang, David Chiu*

*Clerk: Erica Major (415) 554-4441*

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Thursday, November 13, 2014

11:00 AM

City Hall, Committee Room 263

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**Regular Meeting**

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**Present:** 3 - London Breed, Katy Tang, and David Chiu

## MEETING CONVENED

*The meeting convened at 11:02 a.m.*

## REGULAR AGENDA

*Supervisor Chiu was noted present at 11:08 a.m.*

*\*\* File No. 141099 was removed from the agenda at the request of the Chair.*

### **140401 [Hearing - Update on Implementation of Audit Recommendations]**

**Sponsor: Breed**

Hearing to receive an update from the City Services Auditor on the status of audit recommendations.

04/22/14; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

04/24/14; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speakers: Tonia Lediju, Director of City Audits (Office of the Controller); Nancy Hom Rizal Viaril (Public Utilities Commission); Male Speaker (Department of Public Health); Kat Scoggin (Office of the Controller); Dave Curto (Human Services Agency); presented information and answered questions raised throughout the discussion. Ace on the Case; spoke on various concerns relating to the hearing matter.

07/24/14; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speakers: Tonia Lediju, Director of City Audits, and Kat Scoggin (Office of the Controller); presented information and answered questions raised throughout the discussion. Dr. Espanola Jackson; Ace Washington; Male Speaker; Ken Johnson; spoke on various concerns regarding the hearing matter.

*Heard in Committee. Speakers: Tonia Lediju, Director of Audits (Controller's Office); Martin Gran, Employee Relations Director (Department of Human Resources); Deputy Chief Sharon Ferrigno (Police Department); presented information and answered questions raised throughout the discussion. Male Speaker; Aja Monet; spoke on various concerns relating to the hearing matter.*

**CONTINUED TO CALL OF THE CHAIR by the following vote:**

Ayes: 3 - Breed, Tang, Chiu

**140999 [Administrative Code - 14B Local Business Enterprise Program]****Sponsors: Mayor; Chiu**

Ordinance amending the Administrative Code to comprehensively revise the Local Business Enterprise (LBE) and Non-Discrimination in Contracting Ordinance (Chapter 14B) to: 1) codify the transfer of implementation and enforcement of Chapter 14B from the Human Rights Commission to the City Administrator and Contract Monitoring Division; 2) require the Mayor to annually set an overall City-wide LBE participation goal of not less than 40% of the value of upcoming contracts; 3) increase the LBE certification size thresholds for small and micro LBEs; 4) increase the bid discount allowed to SBA-LBEs on contracts between \$10,000 and \$10,000,000; 5) require Administrative Code, Chapter 56, development agreements to include a LBE utilization plan and be subject to certain Chapter 14B provisions; 6) authorize preparation of an implementation plan for an LBE contractor advance program to fund loans to subcontractors; 7) increase the Surety Bond Program limit from \$750,000 to \$1,000,000; 8) require the City to make good faith efforts to obtain at least three bids from LBEs for contracts under the threshold or minimum competitive amounts; 9) establish a Mentor-Protégé Program between established successful contractors and LBEs; 10) require separate LBE participation on design and construction portions of design-build construction contracts; 11) repeal Ordinance No. 97-10 relating to completion of the Bayview Branch Library Construction Project; and 12) make various other changes in Chapter 14B.

(Fiscal Impact)

09/23/14; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 10/23/2014.

09/30/14; TRANSFERRED to Government Audit and Oversight Committee.

10/06/14; REFERRED TO DEPARTMENT. Referred to Office of the City Administrator, Office of Contract Administration, Office of the Controller, Risk Management, Department on the Status of Women, Public Utilities Commission, Department of Public Works, Human Rights Department, and Municipal Transportation Agency and Small Business Commission for comment and recommendation.

*Heard in Committee. Speakers: Bill Barnes (Office of the City Administrator); presented information and answered questions raised throughout the discussion. Male Speaker; Warren Celstrom (Coalition for Economic Equity); Miguel Galarza (Yerba Buena Engineering and Construction); Juliana Choy Summer (Asian American Contractors Association); Wayne Perry (Cornerstone Concilium); Ken Castle (Ojo Technology); Josh Arce (Brightline Defense Project); spoke on various concerns relating to the hearing matter.*

**AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE by the following vote:**

Ayes: 3 - Breed, Tang, Chiu

Ordinance amending the Administrative Code to comprehensively revise the Local Business Enterprise (LBE) and Non-Discrimination in Contracting Ordinance (Chapter 14B) to: 1) codify the transfer of implementation and enforcement of Chapter 14B from the Human Rights Commission to the City Administrator and Contract Monitoring Division; 2) require the Mayor to annually set an overall City-wide LBE participation goal of not less than 40% of the value of upcoming contracts; 3) increase the LBE certification size thresholds for small and micro LBEs; 4) increase the bid discount allowed to SBA-LBEs on contracts between \$10,000 and \$10,000,000; 5) require Administrative Code, Chapter 56, development agreements to include an LBE utilization plan and be subject to certain Chapter 14B provisions; 6) authorize preparation of an implementation plan for a LBE contractor advance program to fund loans to subcontractors; 7) require the City to make good faith efforts to obtain at least three bids from micro or small LBEs for contracts under the threshold or minimum competitive amounts; 8) establish a Mentor-Protégé Program between established successful contractors and LBEs; 9) require separate LBE participation on design and construction portions of design-build construction contracts; 10) repeal Ordinance No. 97-10 relating to completion of the Bayview Branch Library Construction Project; and 11) make various other changes in Chapter 14B.

(Fiscal Impact; Budget and Legislative Analyst Report received.)

**CONTINUED TO CALL OF THE CHAIR AS AMENDED by the following vote:**

Ayes: 3 - Breed, Tang, Chiu

**141126 [Authorizing the Use of the City Seal for The Imperial Council of San Francisco's 50th Anniversary Gala; "The Imperial Council of San Francisco, Inc., 50th Anniversary Gala Day" - February 15, 2015]**

**Sponsor: Wiener**

Resolution authorizing the use of the Official Seal of the City and County of San Francisco by The Imperial Council of San Francisco in the promotion of its 50th Anniversary Gala at San Francisco City Hall on February 15, 2015; and declaring February 15, 2015, to be "The Imperial Council of San Francisco, Inc., 50th Anniversary Gala Day" in the City and County of San Francisco.

10/28/14; RECEIVED AND ASSIGNED to Neighborhood Services and Safety Committee.

11/07/14; TRANSFERRED to Government Audit and Oversight Committee.

*Heard in Committee. Speakers: Supervisor Scott Wiener (Board of Supervisors); Angela Calvillo, Clerk of the Board (Board of Supervisors); Jon Givner, Deputy Attorney (City Attorney's Office); presented information and answered questions raised throughout the discussion. John Weber, Chair, John Paul Soto, Emperor, Donna Sachet, Board of Directors, and Robert Austria, Treasurer (The Imperial Council of San Francisco, Inc.); Aja Monet (The Grand Ducal Council of San Francisco); Bradley Roberts (The Imperial Council of San Francisco); Male Speaker; spoke on various concerns relating to the hearing matter.*

**AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE by the following vote:**

Ayes: 3 - Breed, Tang, Chiu

**RECOMMENDED AS AMENDED by the following vote:**

Ayes: 3 - Breed, Tang, Chiu

## ADJOURNMENT

*The meeting adjourned at 12:10 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.*