City and County of San Francisco

Meeting Agenda

Government Audit and Oversight Committee

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

Member: Jackie Fielder, Danny Sauter, Stephen Sherrill

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

Thursday, September 4, 2025 **10:00 AM** **City Hall, Legislative Chamber, Room 250**

Regular Meeting

ROLL CALL AND ANNOUNCEMENTS

COMMUNICATIONS

AGENDA CHANGES

REGULAR AGENDA

1. **250685** **[Behested Payment Waiver - Cancer Screening]**

Sponsors: Mayor, Mandelman, Chan, Sauter, Sherrill, Chen and Mahmood

Resolution authorizing the Mayor, the Mayor's Chief of Staff, Chief of Public Safety, Assistant Chief of Public Safety, Policy Advisor, and the Chief of the Fire Department to solicit donations from various private entities and organizations to support the provision of cancer screening for eligible SFFD employees for six months from the effective date of this Resolution, notwithstanding the Behested Payment Ordinance.

6/17/25; RECEIVED AND ASSIGNED to the Government Audit and Oversight Committee.

7/17/25; CONTINUED TO CALL OF THE CHAIR.

2. **250576** **[Business and Tax Regulations Code - Tax Rate Changes for Telecommunications Business Activities]**

Ordinance amending the Business and Tax Regulations Code to reduce the tax rates on gross receipts from telecommunications business activities by moving those activities from Category 5 to Category 4, beginning January 1, 2026, for purposes of the gross receipts tax and the homelessness gross receipts tax; and to retain taxpayers' eligibility to take the tax credit for opening a physical location in designated areas of the City, as applied to gross receipts from telecommunications business activities. (Treasurer-Tax Collector)

(Pursuant to Business and Tax Regulations Code, Section 2811, amendments of Article 28 of the Business and Tax Regulations Code requires approval by a supermajority vote of at least eight members of the Board of Supervisors.)

(Fiscal Impact; No Budget and Legislative Analyst Report)

5/21/25; RECEIVED FROM DEPARTMENT.

6/3/25; ASSIGNED UNDER 30 DAY RULE to the Budget and Finance Committee.

6/9/25; RECEIVED FROM DEPARTMENT.

6/24/25; SUBSTITUTED AND ASSIGNED UNDER 30 DAY RULE to the Budget and Finance Committee.

7/30/25; TRANSFERRED to the Government Audit and Oversight Committee.

LITIGATION

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.

3. **250765** **[Settlement of Lawsuit - Jane Gazzola - $128,000]**

Ordinance authorizing settlement of the lawsuit filed by Jane Gazzola against the City and County of San Francisco for $128,000; the lawsuit was filed on December 1, 2023, in San Francisco Superior Court, Case No. CGC-23-610773; entitled Jane Gazzola v. City and County of San Francisco, et al; the lawsuit involves an alleged personal injury on a City sidewalk. (City Attorney)

7/15/25; RECEIVED FROM DEPARTMENT.

7/29/25; RECEIVED AND ASSIGNED to the Government Audit and Oversight Committee.

The Chair intends to entertain a motion to refer this item to the full Board as a Committee Report for consideration on September 9, 2025.

4. **250766** **[Settlement of Lawsuit - Keith Baraka - $160,000]**

Ordinance authorizing settlement of two lawsuits filed by Keith Baraka against the City and County of San Francisco for $160,000; the first lawsuit was filed on November 20, 2020, in San Francisco Superior Court, Case No. CGC-20-587897; entitled Keith Baraka v. City and County of San Francisco; the first lawsuit involves an employment dispute; the second lawsuit was filed on June 13, 2024, in San Francisco Superior Court, Case No. CGC-24-615403; entitled Keith Baraka v. City and County of San Francisco; the second lawsuit involves an employment dispute. (City Attorney)

7/18/25; RECEIVED FROM DEPARTMENT.

7/29/25; RECEIVED AND ASSIGNED to the Government Audit and Oversight Committee.

The Chair intends to entertain a motion to refer this item to the full Board as a Committee Report for consideration on September 9, 2025.

5. **250767** **[Settlement of Lawsuit - Coalition on Homelessness - $2,828,000]**

Ordinance authorizing settlement of the lawsuit filed by Coalition On Homelessness against the City and County of San Francisco for $2,828,000 and non-monetary terms; the lawsuit was filed on September 27, 2022, in the United States District Court for the Northern District of California, Case No. 4:22-cv-05502-DMR; entitled Coalition on Homelessness, et al. v. City and County of San Francisco, et al.; the lawsuit involves Plaintiff's allegation that the City unlawfully seizes property of persons experiencing homelessness without adequate advanced notice, discards property the City should store under the terms of the City's "bag and tag" policy, and fails to store property of persons experiencing homelessness in a way that allows retrieval of the property. (City Attorney)

7/18/25; RECEIVED FROM DEPARTMENT.

7/29/25; RECEIVED AND ASSIGNED to the Government Audit and Oversight Committee.

The Chair intends to entertain a motion to refer this item to the full Board as a Committee Report for consideration on September 9, 2025.

6. **250768** **[Settlement of Lawsuit - Richard S. Sackler, et al. - City to Receive $8,000,000 to $12,000,000 Over 15 Years]**

Ordinance authorizing the partial settlement of the lawsuit filed on behalf of the City and County of San Francisco and the People of the State of California against, inter alia, Richard S. Sackler, Jonathan D. Sackler, Mortimer D.A. Sackler, Kathe A. Sackler, Ilene Sackler Lefcourt, Beverly Sackler, Theresa Sackler, David A. Sackler, Trust for the Benefit of Members of the Raymond Sackler Family (collectively, "Sacklers") for abatement funds in the range of $8,000,000 to $12,000,000 to be paid over 15 years; the lawsuit was filed on December 18, 2018, in the United States District Court for the Northern District of California, Case No. 3:18-cv-7591-CRB-JSC; entitled The City and County of San Francisco and the People of the State of California v. Purdue Pharma L.P., Richard S. Sackler, Jonathan D. Sackler, Mortimer D.A. Sackler, Kathe A. Sackler, Ilene Sackler Lefcourt, Beverly Sackler, Theresa Sackler, David A. Sackler, Trust for the Benefit of Members of the Raymond Sackler Family, Rhodes Pharmaceuticals L.P., Cephalon, Inc., Teva Pharmaceutical Industries Ltd., Teva Pharmaceuticals USA, Inc., Endo International Plc, Endo Health Solutions Inc., Endo Pharmaceuticals Inc., Janssen Pharmaceuticals, Inc., Insys Therapeutics, Inc., Mallinckrodt Plc, Mallinckrodt LLC, Allergan Plc F/K/A Actavis Plc, Watson Pharmaceuticals, Inc. N/K/A Actavis, Inc., Watson Laboratories, Inc., Actavis LLC, Actavis Pharma, Inc. F/K/A/ Watson Pharma, Inc., AmerisourceBergen Corporation, Cardinal Health, Inc., and McKesson Corporation; the lawsuit involves allegations that Purdue and the Sacklers contributed to the opioid crisis in San Francisco by incentivizing the sale and use of opioids despite knowledge of the growing epidemic caused by opioid misuse. (City Attorney)

7/21/25; RECEIVED FROM DEPARTMENT.

7/29/25; RECEIVED AND ASSIGNED to the Government Audit and Oversight Committee.

The Chair intends to entertain a motion to refer this item to the full Board as a Committee Report for consideration on September 9, 2025.

7. **250769** **[Settlement of Lawsuit - AT&T Corporation and Pacific Bell Telephone Company - City to Receive $15,400,000]**

Ordinance authorizing settlement of the lawsuit filed by the City and County of San Francisco ex rel. Roger Schneider against AT&T Corp. and Pacific Bell Telephone Company (collectively, "AT&T") for $15,400,000; the lawsuit was filed on January 29, 2020, in San Francisco Superior Court, Case No. CGC-20-582552; entitled City and County of San Francisco ex rel. Roger Schneider v. AT&T Corporation, et al.; the lawsuit involves allegations that AT&T and other telecommunications companies knowingly under-collected and under-remitted amounts due under the Access Line Tax Ordinance in violation of the California False Claims Act; other material terms of the settlement are that AT&T will collect and remit access line taxes in a certain manner in the future absent a material change in the law. (City Attorney)

7/21/25; RECEIVED FROM DEPARTMENT.

7/29/25; RECEIVED AND ASSIGNED to the Government Audit and Oversight Committee.

The Chair intends to entertain a motion to refer this item to the full Board as a Committee Report for consideration on September 9, 2025.

8. **250778** **[Settlement of Lawsuit - U.S. Telepacific Corp., dba TPx Communications - City to Receive $3,660,000]**

Ordinance authorizing settlement of the lawsuit filed by the City and County of San Francisco ex rel. Roger Schneider against U.S. Telepacific Corp., dba TPx Communications ("TPx") for $3,660,000; the lawsuit was filed on January 29, 2020, in San Francisco Superior Court, Case No. CGC-20-582552; entitled City and County of San Francisco ex rel. Roger Schneider v. AT&T Corporation, et al.; the lawsuit involves allegations that TPx and other telecommunications companies knowingly under-collected and under-remitted amounts due under the Access Line Tax Ordinance in violation of the California False Claims Act; other material terms of the settlement are that TPx will collect and remit access line taxes in a certain manner in the future absent a material change in the law. (City Attorney)

7/21/25; RECEIVED FROM DEPARTMENT.

7/29/25; RECEIVED AND ASSIGNED to the Government Audit and Oversight Committee.

The Chair intends to entertain a motion to refer this item to the full Board as a Committee Report for consideration on September 9, 2025.

9. **250710** **[Settlement of Lawsuit - Katrina Baptiste - $125,000]**

Ordinance authorizing settlement of the lawsuit filed by Katrina Baptiste against the City and County of San Francisco for $125,000; the lawsuit was filed on August 23, 2023, in San Francisco Superior Court, Case No. CGC-23-608576; entitled Katrina Baptiste v. City and County of San Francisco; the lawsuit involves an employment dispute. (City Attorney)

6/25/25; RECEIVED FROM DEPARTMENT.

7/8/25; RECEIVED AND ASSIGNED to the Government Audit and Oversight Committee.

The Chair intends to entertain a motion to refer this item to the full Board as a Committee Report for consideration on September 9, 2025.

10. **250711** **[Settlement of Lawsuit - Alyonik Hrushow - $225,000]**

Ordinance authorizing settlement of the lawsuit filed by Alyonik Hrushow against the City and County of San Francisco for $225,000; the lawsuit was filed on August 29, 2024, in San Francisco Superior Court, Case No. CGC-24-617659; entitled Alyonik Hrushow v. City of San Francisco, et al.; the lawsuit involves alleged personal injury on a City sidewalk. (City Attorney)

6/25/25; RECEIVED FROM DEPARTMENT.

7/8/25; RECEIVED AND ASSIGNED to the Government Audit and Oversight Committee.

The Chair intends to entertain a motion to refer this item to the full Board as a Committee Report for consideration on September 9, 2025.

11. **250770** **[Settlement of Unlitigated Claim - Farmers Insurance Exchange - $101,435]**

Resolution approving the settlement of the unlitigated claim filed by Farmers Insurance Exchange against the City and County of San Francisco for $101,435; the claim was filed on December 11, 2024; the claim involves property damage arising from flooding alleged to be caused by a water main rupture. (City Attorney)

7/15/25; RECEIVED FROM DEPARTMENT.

7/29/25; RECEIVED AND ASSIGNED to the Government Audit and Oversight Committee.

12. **250771** **[Settlement of Unlitigated Claim - Hamza Alaudi - $90,000]**
Resolution approving the settlement of the unlitigated claim filed by Hamza Alaudi against the City and County of San Francisco for $90,000; the claim was filed on November 7, 2024; the claim involves property damage arising from flooding alleged to be caused by a water main rupture. (City Attorney)

7/15/25; RECEIVED FROM DEPARTMENT.

7/29/25; RECEIVED AND ASSIGNED to the Government Audit and Oversight Committee.

13. **250772** **[Settlement of Grievance - Service Employees International Union, Local 1021 - $773,113.15]**
Resolution approving the settlement of a grievance filed by Service Employees International Union, Local 1021 against the City and County of San Francisco for $773,113.15; the grievance was filed on February 18, 2022; the grievance involves an employment dispute under the Memorandum of Understanding. (City Attorney)

7/21/25; RECEIVED FROM DEPARTMENT.

7/29/25; RECEIVED AND ASSIGNED to the Government Audit and Oversight Committee.

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

[Elect To Disclose]
Motion that the Board finds it is in the public interest to disclose information discussed in closed session, and directs the Chair immediately to disclose that information.

[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.

ADJOURNMENT

LEGISLATION UNDER THE 30-DAY RULE

NOTE: The following legislation will not be considered at this meeting. Board Rule 3.22 provides that when an Ordinance or Resolution is introduced which would CREATE OR REVISE MAJOR CITY POLICY, the Committee to which the legislation is assigned shall not consider the legislation until at least thirty days after the date of introduction. The provisions of this rule shall not apply to the routine operations of the departments of the City or when a legal time limit controls the hearing timing. In general, the rule shall not apply to hearings to consider subject matter when no legislation has been presented, nor shall the rule apply to resolutions which simply URGE action to be taken.

(There is no legislation pending under the 30-Day Rule.)

The Levine Act

Pursuant to California Government Code, Section 84308, Members of the Board who have received campaign contributions totaling more than $500 may be required to disclose that fact on the record of the proceeding. Parties and their paid agents may also be required to disclose on the record any campaign contributions made to a Member of the Board that meets the following qualifications for disclosure. A Member of the Board of Supervisors is disqualified and must recuse themselves on any agenda item involving business, professional, trade, and land use licenses or permits and all other entitlements for use, if they received more than $500 in campaign contributions from the applicant or contractor, an agent of the applicant or contractor, or any financially interested participant within the 12 months prior to the final decision; and for 12 months following the date of the final decision, a Member of the Board shall not accept, solicit, or direct a campaign contribution of $500 or more from the applicant or contractor, an agent of the applicant or contractor, or any financially interested participant. The foregoing statements do not constitute legal advice. Parties, participants, and their agents are urged to consult their own legal counsel regarding the requirements of the law. For more information about these disclosures, visit www.sfethics.org.

Agenda Item Information

Each item on the Consent or Regular agenda may include the following 1) Legislation; 2) Budget and Legislative Analyst report; 3) Department or Agency cover letter and/or report; 4) Public correspondence. These items are available for review at City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244 or at www.sfbos.org/legislative-research-center-lrc.

Meeting Procedures

The Board of Supervisors is the legislative body of the City and County of San Francisco. The Board has several standing committees where legislation is the subject of hearings at which members of the public are urged to testify. The full Board does not hold a second public hearing on measures which have been heard in committee.

Board procedures do not permit: 1) vocal or audible support or opposition to statements by Supervisors or by other persons testifying; 2) ringing and use of cell phones or electronic devices; 3) bringing in or displaying signs in the meeting room; or 4) standing in the meeting room. Each member of the public will be allotted the same maximum number of minutes to speak as set by the President or Chair at the beginning of each item or public comment, excluding City representatives; except that public speakers using interpretation assistance will be allowed to testify for twice the amount of time. Members of the public who want to display a document should place it on the overhead during their public comment and remove the document when they want the screen to return to live coverage of the meeting.

IMPORTANT INFORMATION: The public is encouraged to testify at Board and Committee meetings. Persons unable to attend the meeting may submit to the City, by the time the proceedings begin, written comments regarding agenda items for the official public record. Written communications should be submitted to the Clerk of the Board or the Clerk of the Committee: 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102. Communications not received prior to the hearing may be delivered to the Clerk of the Board or the Clerk of the Committee and will be shared with the Members.

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LANGUAGE INTERPRETERS: Language services are available in Spanish, Chinese and Filipino for requests made at least two (2) business days in advance of the meeting, to help ensure availability. For more information or to request services, contact bos@sfgov.org or call (415) 554-5184.

傳譯服務: 所有常規及特別市參事會會議和常務委員會會議將提供西班牙文，中文以及菲律賓文的傳譯服務，但必須在會議前最少兩（2）個工作日作出請求，以確保能獲取到傳譯服務. 將因應請求提供交替傳譯服務，以便公眾向有關政府機構發表意見. 如需更多資訊或請求有關服務，請發電郵至 bos@sfgov.org 或致電（415）554-5184 聯絡我們.

INTÉRPRETES DE IDIOMAS: Para asegurar la disponibilidad de los servicios de interpretación en chino, filipino y español, presente su petición por lo menos con dos (2) días hábiles de antelación previo a la reunión. Para más información o para solicitar los servicios, envíe su mensaje a bos@sfgov.org o llame al (415) 554-5184.

TAGA SALIN-WIKA: Ipaabot sa amin ang mga kahilingan sa pag salin-wika sa Kastila, Tsino at Pilipino ng hindi bababa sa dalawang araw bago ang pulong. Makakatulong ito upang tiyakin na ang mga serbisyo ay nakalaan at nakahanda. Para sa dagdag kaalaman o para humiling ng serbisyo, maki pagugnayan po sa bos@sfgov.org o tumawag sa (415) 554-5184.

Americans with Disabilities Act (ADA) and Reasonable Accommodations

Title II of the ADA requires that all programs offered through the state and local government such as the City and County of San Francisco be accessible and usable to people with disabilities. The ADA and City policy require that people with disabilities have equal access to all City services, activities, and benefits. If you believe your rights under the ADA are violated, contact the ADA Coordinator. Ordinance No. 90-10 added Section 2A.22.3 to the Administrative Code, which adopted a Citywide Americans with Disabilities Act Reasonable Modification Policy.

Meetings are real-time captioned and cablecast open-captioned on SFGovTV (www.sfgovtv.org) or Cable Channels 26, 28, 78 or 99 (depending on your provider). Board and Committee meeting agendas and minutes are available on the Board's website www.sfbos.org and adhere to web development Federal Access Board's Section 508 Guidelines. For reasonable accommodations, please email Board.of.Supervisors@sfgov.org, or call (415) 554-5184 or (415) 554-5227 (TTY) Board of Supervisors' Rules of Order 1.3.3 does not permit remote public comment by members of the public at meetings of the Board and its committees, except as legally required to enable people with disabilities to participate in such meetings. If you require remote access as a means of reasonable accommodation under ADA, please contact the Clerk's Office to request remote access, including a description of the functional limitation(s) that precludes your ability to attend in person. Requests made at least two (2) business days in advance of the meeting will help to ensure availability. For further assistance, please contact Wilson Ng, ADA Coordinator, at Wilson.L.Ng@sfgov.org.

Know Your Rights Under The Sunshine Ordinance

Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For information on your rights under the Sunshine Ordinance (San Francisco Administrative Code, Chapter 67) or to report a violation of the ordinance, contact by mail Sunshine Ordinance Task Force, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco CA 94102; phone at (415) 554-7724; fax at (415) 554-5163; or by email at sotf@sfgov.org. Citizens may obtain a free company of the Sunshine Ordinance by printing the San Francisco Administrative Code, Chapter 67, on the Internet at www.sfbos.org/sunshine.

Ethics Requirements

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (Campaign & Governmental Conduct Code, Section 2.100) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 25 Van Ness Avenue, Suite 220, San Francisco, CA 94102; (415) 252-3100; fax (415) 252-3112; website www.sfgov.org/ethics.

Under Campaign and Governmental Conduct Code, Section 1.127, no person or entity with a financial interest in a land use matter pending before the Board of Appeals, Board of Supervisors, Building Inspection Commission, Commission on Community Investment and Infrastructure, Historic Preservation Commission, Planning Commission, Port Commission, or the Treasure Island Development Authority Board of Directors, may make a campaign contribution to a member of the Board of Supervisors, the Mayor, the City Attorney, or a candidate for any of those offices, from the date the land use matter commenced until 12 months after the board or commission has made a final decision, or any appeal to another City agency from that decision has been resolved. For more information about this restriction, visit www.sfethics.org.