



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

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

Present: 3 - Jackie Fielder, Danny Sauter, and Stephen Sherrill

The Government Audit and Oversight Committee met in regular session on Thursday, September 4, 2025, with Chair Jackie Fielder presiding. Chair Fielder called the meeting to order at 10:03 a.m.

ROLL CALL AND ANNOUNCEMENTS

On the call of the roll, Chair Fielder, Vice Chair Sauter, and Member Sherrill were noted present. A quorum was present.

COMMUNICATIONS

Monique Crayton, Assistant 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

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.

06/17/25; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

07/17/25; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speaker(s): None.

Heard in Committee. Speaker(s): Matthew Alba (Fire Department); provided an overview and responded to questions raised throughout the discussion. Dean Crispen, Fire Chief (Fire Department); Sam Gebler (San Francisco Fire Fighters Local 798); spoke in support of the resolution matter.

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

Ayes: 3 - Fielder, Sauter, Sherrill

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)

05/21/25; RECEIVED FROM DEPARTMENT.

06/03/25; ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee, expires on 7/3/2025.

06/09/25; RECEIVED FROM DEPARTMENT.

06/24/25; SUBSTITUTED AND ASSIGNED UNDER 30 DAY RULE to Budget and Finance Committee. The Office of Treasurer and Tax Collector introduced a substitute Ordinance bearing a new title.

07/30/25; TRANSFERRED to Government Audit and Oversight Committee. President Mandelman transferred this ordinance from the Budget and Finance committee to the Government Audit and Oversight committee.

Heard in Committee. Speaker(s): Amanda Fried (Office of the Treasurer and Tax Collector); Nicolas Menard (Office of the Budget and Legislative Analyst); provided an overview and responded to questions raised throughout the discussion.

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

Ayes: 3 - Fielder, Sauter, Sherrill

LITIGATION

Chair Fielder requested File Nos. 250765, 250766, 250767, 250768, 250769, 250778, 250710, 250711, 250770, 250771 and 250772 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: Brad Russi, Yvonne Mere (Office of the City Attorney); Monique Crayton (Office of the Clerk of the Board).

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

Ayes: 3 - Fielder, Sauter, Sherrill

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)

07/15/25; RECEIVED FROM DEPARTMENT.

07/29/25; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Fielder, Sauter, Sherrill

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)

07/18/25; RECEIVED FROM DEPARTMENT.

07/29/25; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Fielder, Sauter, Sherrill

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)

07/18/25; RECEIVED FROM DEPARTMENT.

07/29/25; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Fielder, Sauter, Sherrill

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)

07/21/25; RECEIVED FROM DEPARTMENT.

07/29/25; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Fielder, Sauter, Sherrill

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)

07/21/25; RECEIVED FROM DEPARTMENT.

07/29/25; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Fielder, Sauter, Sherrill

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)

07/21/25; RECEIVED FROM DEPARTMENT.

07/29/25; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Fielder, Sauter, Sherrill

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)

06/25/25; RECEIVED FROM DEPARTMENT.

07/08/25; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Fielder, Sauter, Sherrill

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)

06/25/25; RECEIVED FROM DEPARTMENT.

07/08/25; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Fielder, Sauter, Sherrill

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)

07/15/25; RECEIVED FROM DEPARTMENT.

07/29/25; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Fielder, Sauter, Sherrill

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)

07/15/25; RECEIVED FROM DEPARTMENT.

07/29/25; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Fielder, Sauter, Sherrill

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)

07/21/25; RECEIVED FROM DEPARTMENT.

07/29/25; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Fielder, Sauter, Sherrill

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

Ayes: 3 - Fielder, Sauter, Sherrill

ADJOURNMENT

There being no further business, the Government Audit and Oversight Committee adjourned at the hour of 10:40 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.