



**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: Norman Yee, Julie Christensen, London Breed*

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

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**Thursday, May 21, 2015**

**10:30 AM**

**City Hall, Committee Room 263**

**Regular Meeting**

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**Present:** 3 - Norman Yee, Julie Christensen, and London Breed

**ROLL CALL AND ANNOUNCEMENTS**

*Chair Norman Yee called the meeting to order at 10:35 a.m. On the call of the roll, Supervisors Yee, Christensen, and Breed were noted present. There was a quorum.*

**AGENDA CHANGES**

*There were no agenda changes.*

## REGULAR AGENDA

### **150499 [Resolution of Intention - Renew and Expand Yerba Buena Community Benefit District]**

**Sponsor: Kim**

Resolution declaring the intention of the Board of Supervisors to renew and expand a property-based business improvement district (community benefit district) known as the "Yerba Buena Community Benefit District" and levy a multi-year assessment on all parcels in the district; approving the management district plan and engineer's report and proposed boundaries map for the district; ordering and setting a time and place for a public hearing thereon; approving the form of the Notice of Public Hearing and Assessment Ballot Proceeding, and Assessment Ballot; directing environmental findings; and directing the Clerk of the Board of Supervisors to give notice of the public hearing and balloting as required by law.

05/12/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

05/18/15; REFERRED TO DEPARTMENT. Referred to the Office of Economic and Workforce Development for informational purposes; Small Business Commission for comment and recommendation; Planning Department for environmental review.

05/19/15; RESPONSE RECEIVED. Not defined as a project under CEQA Sections 15378 and 15660(c)(2) because it does not result in a physical change in the environment.

*Heard in Committee. Speakers: Crezia Tano (Office of Economic and Workforce Development); Cathy Maupin, Executive Director (Yerba Buena Community Benefit District); presented information and answered questions raised throughout the discussion. Deborah Cullinan, Director (Yerba Buena Center for the Arts); Ray Bobbitt (City Nights); Peter Hartman; Calvin Mane; John Elberling (Yerba Buena Community Benefit District); spoke in support of the hearing matter.*

**Supervisor Christensen moved that this Resolution be RECOMMENDED. The motion carried by the following vote:**

Ayes: 3 - Yee, Christensen, Breed

**150175 [Administrative Code - Chapter 6 Public Works Contracting]**

Ordinance amending the Administrative Code to comprehensively revise Chapter 6 (Public Works Contracting Policies and Procedures) to: 1) increase the Threshold Amount from \$400,000 to \$600,000; 2) authorize sole source contracts under certain conditions; 3) allow procurement of public works construction contracts under \$10,000 with no competitive solicitation; 4) increase the amount of emergency work a department may authorize without Board of Supervisors approval from \$250,000 to \$600,000 by linking it to the Threshold Amount; 5) increase the amount of time allowed to issue a task order from three to four years, increase the limit of the amount of a task order from \$400,000 to \$600,000 by linking it to the Threshold Amount, allow subcontractors to be listed at time of bid or at time of issuance of a task order, and allow for performance and payment bonds to incrementally increase throughout the term of the contracts for Job Order Contracts and as-needed contracts; 6) authorize execution of master as-needed construction contracts and master as-needed inspection, maintenance and repair contracts of equipment and systems on an if-and-as-needed basis; 7) increase the limit of the amount of a task order from \$400,000 to \$600,000 by linking it to the Threshold Amount in master as-needed contracts on an if-and-as-needed basis for services that the Department of Public Health and the Division of Real Estate are authorized to procure; 8) provide greater flexibility and clarify requirements for the design-build and construction manager/general contractor project delivery methods; 9) authorize the Director of Transportation to procure rail grinding and related services through a negotiated project delivery method; 10) allow departments to advertise bids on a public website and/or in a local newspaper or periodical; 11) add a procedure upon rejection or failure of professional services proposals and upon professional services contractor's failure to deliver; and 12) make various other changes and clarifications in Chapter 6. (Public Works) (Fiscal Impact; Budget and Legislative Analyst Report.)

02/13/15; RECEIVED FROM DEPARTMENT.

02/24/15; ASSIGNED UNDER 30 DAY RULE to Government Audit and Oversight Committee, expires on 3/26/2015.

03/04/15; REFERRED TO DEPARTMENT. Referred to the Planning Department, Public Works, Department of Public Health, Real Estate Division, Municipal Transportation Agency, Department of the Environment, Airport Department, Port Department, Public Utilities Commission, Recreation and Park Department, Office of the City Administrator, Office of the Controller, Office of the Labor Standards and Enforcement, and Contract Monitoring Division for informational purposes.

03/16/15; RECEIVED FROM DEPARTMENT.

03/24/15; SUBSTITUTED AND ASSIGNED to Government Audit and Oversight Committee.

03/30/15; REFERRED TO DEPARTMENT. Referred to Planning Department, Public Works, Department of Public Health, Real Estate Division, Municipal Transportation Agency, Department of the Environment, Airport Department, Port Department, Public Utilities Commission, Recreation and Park Department, Office of the City Administrator, Office of the Controller, Office of Labor Standards and Enforcement, and Contract Monitoring Division for informational purposes.

*Heard in Committee. Speakers: Mohammed Nuru, Director (Public Works); Rachel Cukierman (Office of the Controller); Edgar Lopez (Public Works); Debra Newman (Budget and Legislative Analyst's Office); Jon Givner and Yadira Taylor (City Attorney's Office); Ivy Fine (Public Utilities Commission); presented information and answered questions raised throughout the discussion. Miguel Galarza (Yerba Buena Engineering and Construction, Inc.); spoke in support of the hearing matter.*

**Supervisor Breed moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE. The motion carried by the following vote:**

Ayes: 3 - Yee, Christensen, Breed

Ordinance amending the Administrative Code to comprehensively revise Chapter 6 (Public Works Contracting Policies and Procedures) to: 1) increase the Threshold Amount from \$400,000 to \$600,000; 2) authorize sole source contracts under certain conditions; 3) allow procurement of public works construction contracts under \$10,000 with no competitive solicitation; 4) increase the amount of time allowed to issue a task order from three to four years, increase the limit of the amount of a task order from \$400,000 to \$600,000 by linking it to the Threshold Amount, allow subcontractors to be listed at time of bid or at time of issuance of a task order, and allow for performance and payment bonds to incrementally increase throughout the term of the contracts for Job Order Contracts and as-needed contracts; 5) authorize execution of master as-needed construction contracts and master as-needed inspection, maintenance and repair contracts of equipment and systems on an if-and-as-needed basis; 6) increase the limit of the amount of a task order from \$400,000 to \$600,000 by linking it to the Threshold Amount in master as-needed contracts on an if-and-as-needed basis for services that the Department of Public Health and the Division of Real Estate are authorized to procure; 7) provide greater flexibility and clarify requirements for the design-build and construction manager/general contractor project delivery methods; 8) authorize the Director of Transportation to procure rail grinding and related services through a negotiated project delivery method; 9) allow departments to advertise bids on a public website and/or in a local newspaper or periodical; 10) add procedure upon rejection or failure of professional services proposals and upon professional services contractor's failure to deliver; and 11) make various other changes and clarifications in Chapter 6. (Public Works)

(Fiscal Impact; Budget and Legislative Analyst Report.)

**Supervisor Breed moved that this Ordinance be RECOMMENDED AS AMENDED. The motion carried by the following vote:**

Ayes: 3 - Yee, Christensen, Breed

## LITIGATION

*Speakers: None.*

**Supervisor Breed, seconded by Supervisor Christensen, moved to convene in closed session. The motion carried by the following vote:**

Ayes: 3 - Yee, Christensen, Breed

### **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 lawsuits and claims in which proposed settlements are being considered by the Committee. 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.*

*Persons in attendance: Jon Givner, Deputy City Attorney (Office of the City Attorney); Erica Major and Alisa Somera (Office of the Clerk of the Board).*

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

#### **150423 [Settlement of Unlitigated Claim - Association of Bay Area Governments and ABAG Financing Authority for Nonprofit Corporations - City to Receive \$1,296,340.66 Plus Interest and Other Costs]**

Resolution approving the settlement of the unlitigated claim in favor of the City against the Association of Bay Area Governments (ABAG) and the ABAG Financing Authority for Nonprofit Corporations for \$1,296,340.66 plus interest and other costs; the City's claim sought recovery following the embezzlement of certain Rincon Hill Community Facilities District bond funds under the jurisdiction of the Mayor's Office of Housing and Community Development. (City Attorney)

04/24/15; RECEIVED FROM DEPARTMENT.

05/05/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

**RECOMMENDED.. by the following vote:**

Ayes: 3 - Yee, Christensen, Breed

#### **150424 [Settlement of Unlitigated Claim - The Trustees of the University of Pennsylvania - \$68,563.99]**

Resolution approving the settlement of the unlitigated claim filed by The Trustees of the University of Pennsylvania, on behalf of The Wharton School of the University of Pennsylvania, against the City and County of San Francisco for \$68,563.99; claim was filed on February 17, 2015. (City Attorney)

04/24/15; RECEIVED FROM DEPARTMENT.

05/05/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

**RECOMMENDED.. by the following vote:**

Ayes: 3 - Yee, Christensen, Breed

**150425 [Settlement of Unlitigated Claim - Paul Jan Lee - \$32,500]**

Resolution approving the settlement of the unlitigated claim filed by Paul Jan Lee against the City and County of San Francisco for \$32,500; claim was filed on February 17, 2015. (City Attorney)

04/24/15; RECEIVED FROM DEPARTMENT.

05/05/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

**RECOMMENDED.. by the following vote:**

Ayes: 3 - Yee, Christensen, Breed

*Deputy City Attorney Jon Givner 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.*

*[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.*

**Supervisor Christensen moved to not disclose the closed session deliberations. The motion carried by the following vote:**

Ayes: 3 - Yee, Christensen, Breed

**ADJOURNMENT**

*There being no further business, the Committee adjourned at the hour of 12:26 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.*