



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: Aaron Peskin, Norman Yee, London Breed

Clerk: Erica Major (415) 554-4441

Thursday, April 21, 2016

9:30 AM

City Hall, Committee Room 263

Regular Meeting

The Government Audit and Oversight Committee met in a regular meeting on Thursday, April 21, 2016, with Chair Aaron Peskin presiding.

Present: 3 - Aaron Peskin, Norman Yee, and London Breed

ROLL CALL AND ANNOUNCEMENTS

Chair Peskin called the meeting to order at 9:32 a.m. On the call of the roll, Chair Peskin and Member Breed were noted present. Vice Chair Yee was noted not present. There was a quorum.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

Chair Peskin requested File Nos. 150672 and 160313 be called together.

Supervisor Yee Excused from Voting

Member Breed moved that Supervisor Yee be excused from voting on File Nos. 150672 and 160313. The motion carried by the following vote:

Ayes: 2 - Peskin, Breed

Excused: 1 - Yee

150672 [Home Detention Electronic Monitoring Program Rules and Regulations and Program Administrator's Evidence of Financial Responsibility - 2015]

Resolution approving the Sheriff Department's home detention and electronic monitoring program rules and regulations and approving evidence of financial responsibility demonstrated by program administrator, Leaders in Community Alternatives, for the 2015 calendar year. (Sheriff)

06/16/15; RECEIVED FROM DEPARTMENT.

06/30/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

07/07/15; REFERRED TO DEPARTMENT. Referred to the Civil Service Commission and Police Department for informational purposes.

07/20/15; RESPONSE RECEIVED. Civil Service Commission approval memo received via email dated March 13, 2014.

Heard in Committee. Speaker: Captain Kevin Paulson (Sheriff's Department); presented information and answered questions raised throughout the discussion.

Member Breed moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 2 - Peskin, Breed

Excused: 1 - Yee

160313 [Home Detention Electronic Monitoring Program Rules and Regulations and Program Administrator's Evidence of Financial Responsibility - 2016]

Resolution approving the Sheriff Department's home detention and electronic monitoring program rules and regulations and approving evidence of financial responsibility demonstrated by program administrator, Leaders in Community Alternatives, for the 2016 calendar year. (Sheriff)

04/01/16; RECEIVED FROM DEPARTMENT.

04/12/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

04/18/16; REFERRED TO DEPARTMENT. Referred to the Civil Service Commission, Sheriff's Department, and Police Department for informational purposes.

Heard in Committee. Speaker: Captain Kevin Paulson (Sheriff's Department); presented information and answered questions raised throughout the discussion.

Member Breed moved that this Resolution be RECOMMENDED. The motion carried by the following vote:

Ayes: 2 - Peskin, Breed

Excused: 1 - Yee

160378 [Hearing - Comprehensive Annual Financial Report - FY2014-2015]

Sponsor: Peskin

Hearing to present the Comprehensive Annual Financial Report (CAFR), Single Audit, and management letters prepared by the City's external auditors Macias Gini & O'Connell and KPMG, LLP, for FY2014-2015, and their audit plans for FY2015-2016, pursuant to Charter, Section 9.117; and requesting the external auditors and the Controller's Office to report.

04/12/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Heard in Committee. Speakers: Ben Rosenfield, City Controller (Office of the Controller); Annie Louie (Macias Gini and O'Connell); Ken Bukowski (General Service Agency); Lisa Avis (KPMG); Joe Voje (Department of Technology); John Woo (Port Department); Eric Ugale (Juvenile Probation Department); presented information and answered questions raised throughout the discussion. Ace Washington; spoke on various concerns relating to the hearing matter.

HEARD AND FILED by the following vote:

Ayes: 3 - Peskin, Yee, Breed

LITIGATION

Persons in attendance: Phil Ginsburg, General Manager, and Dennis Kern (Recreation and Park Department); presented information and answered questions raised throughout the discussion for File Nos. 160242, 160243, and 160244. Jon Givner, Deputy City Attorney (Office of the City Attorney) and Erica Major (Office of the Clerk of the Board).

Member Breed moved to convene in closed session. The motion carried by the following vote:

Ayes: 2 - Peskin, Breed

Excused: 1 - Yee

Vice Chair Yee was noted present at 9:58 a.m.

160242 [Settlement of Lawsuit - Lisa Owen - \$2,250,000]

Ordinance authorizing settlement of the lawsuit filed by Lisa Owen against the City and County of San Francisco for \$2,250,000; the lawsuit was filed on July 8, 2014, in San Francisco Superior Court, Case No. CGC-14-540434; entitled Lisa Owen v. City and County of San Francisco, et al.; the lawsuit involves an alleged dangerous condition of public property causing personal injury. (City Attorney)

03/08/16; RECEIVED FROM DEPARTMENT.

03/22/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

04/07/16; CONTINUED TO CALL OF THE CHAIR.

Member Breed moved that this Ordinance be RECOMMENDED... The motion carried by the following vote:

Ayes: 3 - Peskin, Yee, Breed

160243 [Settlement of Lawsuit - Ying Zhang and Chen Li - \$175,000]

Ordinance authorizing settlement of the lawsuit filed by Ying Zhang and Chen Li against the City and County of San Francisco for \$175,000; the lawsuit was filed on January 21, 2014, in San Francisco Superior Court, Case No. CGC-14-536903 (consolidated with CGC-13-536533); entitled Ying Zhang, et al. v. City and County of San Francisco, et al.; the lawsuit involves an alleged dangerous condition of public property causing personal injury; other materials terms of said settlement are that the Municipal Transportation Agency is to also pay \$175,000, subject to approval by the Municipal Transportation Agency Board. (City Attorney)

03/08/16; RECEIVED FROM DEPARTMENT.

03/22/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Member Breed moved that this Ordinance be RECOMMENDED... The motion carried by the following vote:

Ayes: 3 - Peskin, Yee, Breed

160244 [Settlement of Lawsuit - Kai Yuan and Jian Ping Yuan - \$175,000]

Ordinance authorizing settlement of the lawsuit filed by Kai Yuan and Jian Ping Yuan against the City and County of San Francisco for \$175,000; the lawsuit was filed on December 31, 2013, in San Francisco Superior Court, Case No. CGC-13-536533 (consolidated with CGC-14-536903); entitled Kai Yuan, et al. v. City and County of San Francisco, et al.; the lawsuit involves an alleged dangerous condition of public property causing death; other material terms of said settlement are that the Municipal Transportation Agency is to also pay \$175,000, subject to approval by the Municipal Transportation Agency Board, and co-defendant Gina Eunice to pay \$50,000 (insurance coverage limits). (City Attorney)

03/08/16; RECEIVED FROM DEPARTMENT.

03/22/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Member Breed moved that this Ordinance be RECOMMENDED... The motion carried by the following vote:

Ayes: 3 - Peskin, Yee, Breed

160277 [Settlement of Unlitigated Claim - Henry L. Thompson - \$225,000]

Resolution approving the settlement of the unlitigated claim filed by Henry L. Thompson against the City and County of San Francisco for \$225,000; the claim was filed on May 1, 2015; the claim involves an employment dispute. (City Attorney)

03/21/16; RECEIVED FROM DEPARTMENT.

04/05/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Member Breed moved that this Resolution be CONTINUED TO THE CALL OF THE CHAIR. The motion was carried by the following vote:

Ayes: 3 - Peskin, Yee, Breed

160306 [Settlement of Unlitigated Claim - Asiana Airlines - City to Receive \$3,450,000]

Ordinance authorizing settlement of an unlitigated claim by the City and County of San Francisco against Asiana Airlines for a payment of \$3,450,000 by Asiana Airlines to the City, appropriating funds from the settlement to the City Attorney's Office to pay the City's attorneys' fees and legal expenses, and allocating funds from the settlement to the Airport to pay the Airport's costs; other material terms of the settlement include payment by Asiana Airlines to the City's aviation insurer, the City's acceptance of the site cleanup performed by contractors to Asiana Airlines and approved by the San Francisco Bay Regional Water Quality Control Board, the City's agreement not to originate a lawsuit against the aircraft manufacturer, and mutual release of claims arising out of the July 6, 2013 crash of Asiana Airlines Flight 214; the City made its claim on July 16, 2013. (City Attorney)

04/04/16; RECEIVED FROM DEPARTMENT.

04/12/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Member Breed moved that this Ordinance be RECOMMENDED... The motion carried by the following vote:

Ayes: 3 - Peskin, Yee, Breed

160307 [Settlement of Lawsuit - Fernando Guanill - \$150,000]

Ordinance authorizing settlement of the lawsuit filed by Fernando Guanill against the City and County of San Francisco for \$150,000; the lawsuit was filed on October 14, 2015, in the United States District Court for the Northern District of California, Case No. 15-cv-04745 LB; entitled Fernando Guanill v. Michael Robert Lewelling, et al.; the lawsuit involves alleged civil rights violations. (City Attorney)

04/04/16; RECEIVED FROM DEPARTMENT.

04/12/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Member Breed moved that this Ordinance be RECOMMENDED... The motion carried by the following vote:

Ayes: 3 - Peskin, Yee, Breed

Supervisor Breed Excused from Voting

Vice Chair Yee moved that Supervisor Breed be excused from voting on File No. 160308 and for the remainder of the meeting. The motion carried by the following vote:

Ayes: 2 - Peskin, Yee

Excused: 1 - Breed

160308 [Settlement of Lawsuit - J.C.R., a Minor, By and Through His Guardian Ad Litem, Guillerma Bojorquez - \$50,000]

Ordinance authorizing settlement of the lawsuit filed by J.C.R., a minor, by and through his guardian ad litem, Guillerma Bojorquez, against the City and County of San Francisco for \$50,000; the lawsuit was filed on August 28, 2014, in the United States District Court for the Northern District of California, Case No. 3: 14-cv-3918 NC; entitled J.C.R., a minor, by and through his guardian ad litem, Guillerma Bojorquez v. The City and County of San Francisco, et al. (City Attorney)

04/04/16; RECEIVED FROM DEPARTMENT.

04/12/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED.. by the following vote:

Ayes: 2 - Peskin, Yee

Excused: 1 - Breed

160309 [Settlement of Lawsuit - Fireman's Fund Insurance Company - \$125,000]

Ordinance authorizing settlement of the lawsuit filed by Fireman's Fund Insurance Company against the City and County of San Francisco for \$125,000; the lawsuit was filed on July 17, 2014, in San Francisco Superior Court, Case No. CGC-14-540616; entitled Fireman's Fund Insurance Company vs. Alliance of Event Planners and Vendors, Inc., et al.; the lawsuit involves an insurance dispute. (City Attorney)

04/04/16; RECEIVED FROM DEPARTMENT.

04/12/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Member Breed moved that this Ordinance be RECOMMENDED... The motion carried by the following vote:

Ayes: 3 - Peskin, Yee, Breed

160316 [Settlement of Unlitigated Claim - 700 Cabrillo Street HOA - \$35,000]

Resolution approving the settlement of the unlitigated claim filed by the 700 Cabrillo Street HOA against the City and County of San Francisco for \$35,000; the claim was filed on October 8, 2015; the claim involves alleged property damage arising from a sewage flood. (City Attorney)

04/04/16; RECEIVED FROM DEPARTMENT.

04/12/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Member Breed moved that this Resolution be RECOMMENDED... The motion carried by the following vote:

Ayes: 3 - Peskin, Yee, 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.

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

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.

Vice Chair Yee moved not to disclose the closed session deliberations. The motion carried by the following vote:

Ayes: 2 - Peskin, Yee

Excused: 1 - Breed

Supervisor Breed was noted not present at 10:57 a.m. and for the remainder of the meeting.

ADJOURNMENT

There being no further business, the Government Audit and Oversight Committee adjourned at the hour of 11:01 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.