



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

Thursday, November 12, 2015

10:30 AM

Legislative Chamber, Room 250

Special Meeting

Present: 2 - Norman Yee, and London Breed

Excused: 1 - Julie Christensen

ROLL CALL AND ANNOUNCEMENTS

Chair Norman Yee called the meeting to order at 10:56 a.m. On the call of the roll, Chair Yee and Member Breed were noted present. Vice Chair Christensen was noted not present. There was a quorum.

Vice Chair Christensen Excused from Attendance

Member Breed, seconded by Chair Yee, moved that Vice Chair Christensen be excused from attending the Government Audit and Oversight Committee meeting of November 12, 2015. The motion carried by the following vote:

Ayes: 2 - Yee, Breed

Excused: 1 - Christensen

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

LITIGATION

Speakers: None.

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

Ayes: 2 - Yee, Breed

Excused: 1 - Christensen

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 (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.

150985 [Settlement of Lawsuit - John Russo Industrial Sheetmetal, Inc., dba JRI, Inc. - \$2,100,000]

Ordinance authorizing settlement of the lawsuit filed by John Russo Industrial Sheetmetal, Inc., a California corporation, dba JRI, Inc. ("JRI") against the City and County of San Francisco for \$2,100,000 and other material terms; the lawsuit was filed on June 17, 2010, in Alameda County Superior Court Case No. HG10520625, entitled JRI, Inc. v. City and County of San Francisco, et al., related to the contract for the manufacture and delivery of two Aircraft Rescue Fire Fighting vehicles for use at San Francisco International Airport ("Airport"); other material terms of said settlement include that the City will convert the prior termination of JRI's contract for default to a termination for convenience; for five years, JRI will not bid on any Airport contracts, including as a subcontractor, or challenge any Airport procurements; and the parties mutually release all claims relating to the contract or the lawsuit. (City Attorney)

10/05/15; RECEIVED FROM DEPARTMENT.

10/20/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Member Breed, seconded by Chair Yee, moved that this Ordinance be CONTINUED to the Government Audit and Oversight Committee meeting of December 3, 2015. The motion carried by the following vote:

Ayes: 2 - Yee, Breed

Excused: 1 - Christensen

150986 [Settlement of Lawsuit - Appropriation - Zenaida Alejandrino - \$209,506.50]

Ordinance authorizing settlement of the lawsuit filed by Zenaida Alejandrino against the City and County of San Francisco for \$209,506.50; the lawsuit was filed on May 22, 2014, in San Francisco Superior Court, and removed and filed in United States District Court, Northern District of California, Case No. CV 14-2866 JSC; entitled Zenaida Alejandrino v. City and County of San Francisco; and appropriating San Francisco Public Utilities Commission funds for payment of the settlement amount. (City Attorney)

10/05/15; RECEIVED FROM DEPARTMENT.

10/20/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Yee, Breed

Excused: 1 - Christensen

151021 [Settlement of Lawsuit - Cal State Constructors, Inc. - \$500,000]

Ordinance authorizing settlement of the lawsuit filed by Cal State Constructors, Inc. ("Cal State") against the City and County of San Francisco for \$500,000; the lawsuit was filed on November 25, 2014, in the Superior Court of California, County of San Francisco, Case No. CGC-14-542910; entitled Cal State Constructors, Inc. v. City and County of San Francisco; other material terms of said settlement are that the City reserves all rights to pursue claims against Cal State for, and Cal State shall retain responsibility for, latent defects; all extant express and implied warranties under the contract shall remain in full force and effect; Cal State will defend, indemnify, and hold the City harmless from all subcontractor claims; the City and Cal State will execute a mutual release; and the City and Cal State will each bear its own fees and costs. (City Attorney)

10/08/15; RECEIVED FROM DEPARTMENT.

10/20/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Yee, Breed

Excused: 1 - Christensen

151022 [Settlement of Lawsuit - Neal Schon, Michaele Schon, and N & M Productions, Inc. - \$290,000]

Ordinance authorizing settlement of the lawsuit filed by Neal Schon, Michaele Schon, and N & M Productions, Inc., against the City and County of San Francisco for \$290,000; the lawsuit was filed on February 6, 2015, in United States District Court for the Northern District of California, Case No. CV-15-00581; entitled Neal Schon, Michaele Schon, and N & M Productions, Inc. v. City and County of San Francisco, Philip Ginsburg in his Individual and Official Capacity, Dana Ketcham in her Individual Capacity, and Diane Rea in her Individual Capacity; other material terms of said settlement are waiver of San Francisco Municipal Transportation Agency (SFMTA) Invoice (#EF14-063) in the amount of \$1,139.04. (City Attorney)

10/08/15; RECEIVED FROM DEPARTMENT.

10/20/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Yee, Breed

Excused: 1 - Christensen

151064 [Settlement of Lawsuit - Mercy Ambat - \$900,000]

Ordinance authorizing settlement of the lawsuit filed by Mercy Ambat, et al., against the City and County of San Francisco for \$900,000; the lawsuit was filed on July 7, 2007, in United States District Court of Northern California, Case No. 07-3622; entitled Mercy Ambat, et al. v. City and County of San Francisco. (City Attorney)

10/16/15; RECEIVED FROM DEPARTMENT.

10/27/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Yee, Breed

Excused: 1 - Christensen

151068 [Settlement of Lawsuit - Marcel Thomas - \$35,000]

Ordinance authorizing settlement of the lawsuit filed by Marcel Thomas against the City and County of San Francisco for \$35,000; the lawsuit was filed on March 12, 2014, in U.S. District Court, Northern District of California, Case No. CV-14-01165; entitled Marcel Thomas v. San Francisco Police Officers Yaroslav Shablinskiy (#2262), et al. (City Attorney)

10/16/15; RECEIVED FROM DEPARTMENT.

10/27/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Yee, Breed

Excused: 1 - Christensen

151069 [Settlement of Unlitigated Claim - Pacific Gas and Electric Corporation - \$318,369.36]

Resolution approving the settlement of the unlitigated claim filed by the Pacific Gas and Electric Corporation against the City and County of San Francisco for \$318,369.36; claim was filed on July 20, 2015. (City Attorney)

10/16/15; RECEIVED FROM DEPARTMENT.

10/27/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Yee, Breed

Excused: 1 - Christensen

151070 [Settlement of Unlitigated Claim - Gonzalina Morales - \$35,759.85]

Resolution approving the settlement of the unlitigated claim filed by Gonzalina Morales against the City and County of San Francisco for \$35,759.85; claim was filed on February 10, 2015. (City Attorney)

10/16/15; RECEIVED FROM DEPARTMENT.

10/27/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Member Breed, seconded by Chair Yee, moved that this Resolution be RECOMMENDED AS A COMMITTEE REPORT. The motion carried by the following vote:

Ayes: 2 - Yee, Breed

Excused: 1 - Christensen

151071 [Settlement of Unlitigated Claim - Scott Falcone and Ayala Mirande - \$66,000]

Resolution approving the settlement of the unlitigated claim filed by Scott Falcone and Ayala Mirande against the City and County of San Francisco for \$66,000; claim was filed on March 17, 2015. (City Attorney)

10/16/15; RECEIVED FROM DEPARTMENT.

10/27/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Member Breed, seconded by Chair Yee, moved that this Resolution be RECOMMENDED AS A COMMITTEE REPORT. The motion carried by the following vote:

Ayes: 2 - Yee, Breed

Excused: 1 - Christensen

151072 [Settlement of Unlitigated Claim - Larry Wasserman - \$50,000]

Resolution approving the settlement of the unlitigated claim filed by Larry Wasserman against the City and County of San Francisco for \$50,000; claim was filed on March 5, 2015. (City Attorney)

10/16/15; RECEIVED FROM DEPARTMENT.

10/27/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Member Breed, seconded by Chair Yee, moved that this Resolution be RECOMMENDED AS A COMMITTEE REPORT. The motion carried by the following vote:

Ayes: 2 - Yee, Breed

Excused: 1 - Christensen

151073 [Settlement of Unlitigated Claim - UCS Dungaree Company - \$28,731.71]

Resolution approving the settlement of the unlitigated claim filed by UCS Dungaree Company against the City and County of San Francisco for \$28,731.71; claim was filed on May 22, 2015. (City Attorney)

10/16/15; RECEIVED FROM DEPARTMENT.

10/27/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Member Breed, seconded by Chair Yee, moved that this Resolution be RECOMMENDED AS A COMMITTEE REPORT. The motion carried by the following vote:

Ayes: 2 - Yee, Breed

Excused: 1 - Christensen

151074 [Settlement of Unlitigated Claim - Lawrence LaBianca - \$63,156.84]

Resolution approving the settlement of the unlitigated claim filed by Lawrence LaBianca against the City and County of San Francisco for \$63,156.84; claim was filed on May 13, 2015. (City Attorney)

10/16/15; RECEIVED FROM DEPARTMENT.

10/27/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Member Breed, seconded by Chair Yee, moved that this Resolution be RECOMMENDED AS A COMMITTEE REPORT. The motion carried by the following vote:

Ayes: 2 - Yee, Breed

Excused: 1 - Christensen

151075 [Settlement of Unlitigated Claim - Stantec Architecture, Inc. - City to Withhold \$108,000.60 of Contract Balance]

Resolution approving settlement of the unlitigated claim by the City and County of San Francisco against Stantec Architecture, Inc. ("Stantec"), for \$108,000.60, which the City will withhold from the remaining balance on the contract between the City and Stantec. (City Attorney)

10/16/15; RECEIVED FROM DEPARTMENT.

10/27/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Yee, Breed

Excused: 1 - Christensen

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.

Member Breed, seconded by Chair Yee, moved to not disclose the closed session deliberations. The motion carried by the following vote:

Ayes: 2 - Yee, Breed

Excused: 1 - Christensen

ADJOURNMENT

There being no further business, the Government Audit and Oversight Committee adjourned at the hour of 11:18 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.