



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: Dean Preston, Catherine Stefani, Connie Chan

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

Thursday, January 18, 2024

10:00 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

Present: 2 - Dean Preston, and Catherine Stefani

Excused: 1 - Connie Chan

The Government Audit and Oversight Committee met in regular session on Thursday, January 18, 2024, with Chair Dean Preston presiding. Chair Preston called the meeting to order at 10:07 a.m.

ROLL CALL AND ANNOUNCEMENTS

On the call of the roll, Chair Preston and Vice Chair Stefani were noted present. Member Chan was noted not present. A quorum was present.

COMMUNICATIONS

Monique Crayton, Government Audit and Oversight Committee 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.

Supervisor Chan Excused from Attendance

Chair Preston moved that Supervisor Chan be excused from attending the Government Audit and Oversight Committee meeting of January 18, 2024. The motion carried by the following vote:

Ayes: 2 - Preston, Stefani

Excused: 1 - Chan

REGULAR AGENDA

231275 [Civic Bridge Program - Behested Payments Waiver]

Sponsor: Mayor

Resolution authorizing the Office of the Mayor to solicit in-kind donations through the Civic Bridge Program from various City contractors, notwithstanding the Behested Payments Ordinance for six months from the enactment date of this Resolution.

12/12/23; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

12/18/23; REFERRED TO DEPARTMENT. Referred to the Office of the Mayor for informational purposes.

Heard in Committee. Speaker(s): Sophia Kittler, Director (Mayor's Office of Innovation); presented information and answered questions raised throughout the discussion. Efram shared various concerns regarding the hearing matter.

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

Ayes: 2 - Preston, Stefani

Excused: 1 - Chan

LITIGATION

Chair Preston requested File Nos. 231211, 231212, 231213, 231246, 231126, 231127, 231155, and 231248 be called together.

Heard in Committee. Speaker(s): Efram; shared various concerns regarding the litigation agenda.

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: Supervisor Aaron Peskin (Board of Supervisors); Anne Pearson, Kristen Jensen, and Christopher Tom (Office of the City Attorney); Monique Crayton and John Carroll (Office of the Clerk of the Board).

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

Ayes: 2 - Preston, Stefani

Excused: 1 - Chan

231211 [Settlement of Lawsuit - Phaedra Michelle Scott - \$40,000]

Ordinance authorizing settlement of the lawsuit filed by Phaedra Michelle Scott against the City and County of San Francisco for \$40,000; the lawsuit was filed on September 27, 2021, in San Francisco Superior Court, Case No. CGC-21-595521; entitled Phaedra Michelle Scott v. City and County of San Francisco, et al.; the lawsuit involves alleged personal injury from tripping due to a pothole. (City Attorney)

11/09/23; RECEIVED FROM DEPARTMENT.

11/28/23; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Preston, Stefani

Excused: 1 - Chan

231212 [Settlement of Lawsuit - Alfred Coutts - \$190,000]

Ordinance authorizing settlement of the lawsuit filed by Alfred Coutts against the City and County of San Francisco for \$190,000; the lawsuit was filed on May 14, 2020, in San Francisco Superior Court, Case No. CGC-20-584459; entitled Alfred Coutts, et al. v. City and County of San Francisco, et. al.; the lawsuit involves allegations of negligence, dependent adult neglect/abuse, and violations of the Patient's Bill of Rights concerning Mr. Coutts' care at Laguna Honda Hospital and Rehabilitation Center. (City Attorney)

11/13/23; RECEIVED FROM DEPARTMENT.

11/28/23; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Preston, Stefani

Excused: 1 - Chan

231213 [Settlement of Lawsuit - Peyman Pakdel and Sima Chegini - \$450,000]

Ordinance authorizing settlement of the lawsuit filed by Peyman Pakdel and Sima Chegini against the City and County of San Francisco for \$450,000; the lawsuit was filed on June 26, 2017, in the United States District Court for the Northern District of California, Case No. 3:17-cv-03638; entitled Peyman Pakdel, et al. v. City and County of San Francisco, et al.; the lawsuit involves alleged diminution of Plaintiffs' property value as a result of conditions of approval of San Francisco's Expedited Conversion Program; other material terms of the settlement include the Plaintiffs' sale of the property to the current tenant and termination of the lifetime lease under the Expedited Conversion Program. (City Attorney)

11/14/23; RECEIVED FROM DEPARTMENT.

11/28/23; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Preston, Stefani

Excused: 1 - Chan

231246 [Settlement of Lawsuit - Pacific Gas & Electric Co. - Power Connections]

Ordinance authorizing settlement of the complaint of the City and County of San Francisco (City) against Pacific Gas & Electric Co. (PG&E) that was filed by the City on January 28, 2019, before the Federal Energy Regulatory Commission, Docket No. EL19-38; entitled City and County of San Francisco v. Pacific Gas & Electric Co.; the complaint concerns PG&E's imposition of unreasonable restrictions on connections of City facilities to PG&E's distribution system; the material terms of the settlement are that, in exchange for the City dismissing its complaint and waiving any claim for monetary relief, PG&E will allow the City to connect 30 megawatts of metered secondary voltage load over the next five years, provided the loads will be used to serve 1) existing points of delivery that undergo changes, 2) City departments or related public entities, or 3) private entities using City-owned property. (City Attorney)

12/04/23; RECEIVED FROM DEPARTMENT.

12/12/23; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Preston, Stefani

Excused: 1 - Chan

231126 [Settlement of Unlitigated Claim - Deven Gadula - \$175,000]

Resolution approving the settlement of the unlitigated claim filed by Deven Gadula against the City and County of San Francisco for \$175,000; the claim was filed on January 9, 2023; the claim involves property damage arising from flooding alleged to be caused by a water main rupture. (City Attorney) 10/30/23; RECEIVED FROM DEPARTMENT.

11/07/23; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Preston, Stefani
Excused: 1 - Chan

231127 [Settlement of Unlitigated Claim - Joan Assereto - \$44,000]

Resolution approving the settlement of the unlitigated claim filed by Joan Assereto against the City and County of San Francisco for \$44,000; the claim was filed on March 10, 2023; the claim involves alleged property damage arising from flooding caused by a water main rupture. (City Attorney) 10/30/23; RECEIVED FROM DEPARTMENT.

11/07/23; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Preston, Stefani
Excused: 1 - Chan

231155 [Settlement of Unlitigated Claims - John Paul USA, Inc. - \$70,805.11]

Resolution approving the settlement of the unlitigated claims filed by John Paul USA, Inc. against the City and County of San Francisco for \$70,805.11; the claims were filed on January 9, 2023; the claims involve a refund of gross receipts taxes and payroll expense taxes. (City Attorney) 11/06/23; RECEIVED FROM DEPARTMENT.

11/14/23; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Preston, Stefani
Excused: 1 - Chan

231248 [Settlement of Grievance - San Francisco Deputy Sheriff's Association, 8504 Deputy Sheriffs, 8304 Deputy Sheriffs and 8306 Senior Deputy Sheriffs - \$94,675]

Resolution approving the settlement of the grievance filed on October 20, 2021, by San Francisco Deputy Sheriff's Association on behalf of class 8504 Deputy Sheriffs, 8304 Deputy Sheriffs and 8306 Senior Deputy Sheriffs against the City and County of San Francisco by the payment of \$94,675; the grievance involves an employment dispute under the Memorandum of Understanding. (City Attorney) 12/01/23; RECEIVED FROM DEPARTMENT.

12/12/23; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 2 - Preston, Stefani
Excused: 1 - Chan

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

Ayes: 2 - Preston, Stefani
Excused: 1 - Chan

231273 [Settlement of Claims, Litigation - SFPUC Water Pipeline Break - Fillmore Street and Green Street - Not to Exceed \$7,000,000]**Sponsor: Stefani**

Ordinance authorizing the San Francisco Public Utilities Commission (SFPUC) and the Office of the City Attorney to approve settlements of claims arising out of the September 10, 2023, break of the SFPUC's water transmission pipeline at the intersection of Fillmore and Green Streets for amounts exceeding \$25,000 per claim, notwithstanding Administrative Code, Section 10.22, et. seq., but not to exceed \$1,000,000 per claim, and delegating authority under Charter, Section 6.102(5) for the settlement of related litigation, if any, up to an aggregate total settlement amount not to exceed \$7,000,000, subject to periodic reporting to the Board of Supervisors Government Audit and Oversight Committee. (Public Utilities Commission)

12/12/23; ASSIGNED UNDER 30 DAY RULE to Government Audit and Oversight Committee, expires on 1/11/2024.

12/15/23; REFERRED TO DEPARTMENT. Referred to City Attorney and the San Francisco Public Utilities Commission for informational purposes.

Chair Preston elected not to convene in Closed Session for File No. 231273.

Heard in Committee. Speaker(s): Jeremy Spitz (San Francisco Public Utilities Commission); presented information and answered questions raised throughout the discussion. Efram; shared various concerns regarding the hearing matter.

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

Ayes: 2 - Preston, Stefani

Excused: 1 - Chan

Chair Preston moved that the previous vote be rescinded. The motion carried by the following vote:

Ayes: 2 - Preston, Stefani

Excused: 1 - Chan

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

Ayes: 2 - Preston, Stefani

Excused: 1 - Chan

ADJOURNMENT

There being no further business, the Government Audit and Oversight Committee adjourned at the hour of 11:09 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.