



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, September 17, 2015

10:30 AM

City Hall, Committee Room 263

Regular Meeting

President London Breed appointed Supervisor Eric Mar, in place of herself, to the Government Audit and Oversight Committee meeting of September 17, 2015.

Present: 3 - Norman Yee, Julie Christensen, and Eric Mar

Excused: 1 - London Breed

ROLL CALL AND ANNOUNCEMENTS

Chair Norman Yee called the meeting to order at 10:41 a.m. On the call of the roll, Chair Yee and Vice Chair Christensen were noted present. Member Mar was noted not present. There was a quorum.

Supervisor Breed Excused from Attendance

Vice Chair Christensen, seconded by Chair Yee, moved that Member Breed be excused from attending the Government Audit and Oversight Committee meeting of September 17, 2015. The motion carried by the following vote:

Ayes: 2 - Yee, Christensen

Excused: 1 - Breed

Absent: 1 - Mar

AGENDA CHANGES

There were no agenda changes.

Member Mar was noted present at 10:48 a.m.

REGULAR AGENDA

150767 [Hearing - Response Plan in the Event of a Forest or Brush Fire]

Sponsor: Yee

Hearing to discuss the City's response plan in the event of a forest of brush fire within the City and County of San Francisco; and requesting the Fire Department and the Department of Emergency Management to report.

07/14/15; RECEIVED AND ASSIGNED to Public Safety and Neighborhood Services Committee.

07/21/15; REFERRED TO DEPARTMENT. Referred to the Fire and Emergency Management departments for informational purposes.

09/09/15; TRANSFERRED to Government Audit and Oversight Committee. (9/9/15 - President Breed transferred File No. 150767 from PSN to GAO)

Heard in Committee. Speakers: Chief Joanne Hayes-White, Deputy Chief Mark Gonzales, and Lt. Mary Tse (Fire Department); Bijan Karimi (Department of Emergency Management); Curtis Itson, Fire Marshal, and Julie Sutton (University of California of San Francisco); presented information and answered questions raised throughout the discussion. Douglas Yip; Denise Louie; Walter Paulson; Sally Stevens; Rupa Bose; Anastasia Kletzen; spoke on various concerns relating to the hearing matter.

Vice Chair Christensen moved that this Hearing be CONTINUED TO CALL OF THE CHAIR. The motion carried by the following vote:

Ayes: 3 - Yee, Christensen, Mar

Excused: 1 - Breed

150824 [Hearing - Comprehensive Annual Financial Report - FY2013-2014]

Sponsor: Yee

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 FY2013-2014, and their audit plans for FY2014-2015; and requesting the external auditors and the Controller's Office to report.

09/08/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

09/14/15; REFERRED TO DEPARTMENT. Referred to the Office of the Controller for informational purposes.

Heard in Committee. Speakers: Ben Rosenfield, Controller (Office of the Controller); Carmen Le Franc (Office of the Controller); Jamie Cavin (KPMG); Annie Louie (Macias Gini & O'Connell LLP); Wallace Tang (San Francisco International Airport); Miguel Gamino, Chief Information Officer (Department of Technology); presented information and answered questions raised throughout the discussion. Douglas Yip; spoke on various concerns relating to the hearing matter.

Vice Chair Christensen, seconded by Member Mar, moved that this Hearing be CONTINUED TO CALL OF THE CHAIR. The motion carried by the following vote:

Ayes: 3 - Yee, Christensen, Mar

Excused: 1 - Breed

LITIGATION

Speakers: None.

Vice Chair Christensen, seconded by Member Mar, moved to convene in closed session. The motion carried by the following vote:

Ayes: 3 - Yee, Christensen, Mar

Excused: 1 - 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 (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.

150753 [Settlement of Unlitigated Claim - James Neidel, Francisco Alfaro, and Jose Alvarez - \$87,515]

Resolution approving the settlement of the unlitigated claim filed by James Neidel, Francisco Alfaro, and Jose Alvarez against the City and County of San Francisco for \$87,515; claim was filed on March 6, 2015. (City Attorney)

07/06/15; RECEIVED FROM DEPARTMENT.

07/21/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED.. by the following vote:

Ayes: 3 - Yee, Christensen, Mar

Excused: 1 - Breed

150777 [Settlement of Unlitigated Claim - Fireman's Fund - \$65,000]

Resolution approving the settlement of the unlitigated claim filed by Fireman's Fund against the City and County of San Francisco for \$65,000; claim was filed on March 2, 2015. (City Attorney)

07/15/15; RECEIVED FROM DEPARTMENT.

07/28/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED.. by the following vote:

Ayes: 3 - Yee, Christensen, Mar

Excused: 1 - Breed

150778 [Settlement of Unlitigated Claim - Pacific Gas and Electric Company - City to Receive \$2,200,000]

Resolution approving settlement of the unlitigated claim in favor of the City and County of San Francisco against Pacific Gas and Electric Company for \$2,200,000. (City Attorney)

07/16/15; RECEIVED FROM DEPARTMENT.

07/28/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED.. by the following vote:

Ayes: 3 - Yee, Christensen, Mar

Excused: 1 - Breed

150779 [Settlement of Unlitigated Claim - Cecilia Galiena - \$60,000]

Resolution approving the settlement of the unlitigated claim filed by Cecilia Galiena against the City and County of San Francisco for \$60,000; claim was filed on February 19, 2015. (City Attorney)

07/16/15; RECEIVED FROM DEPARTMENT.

07/28/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED.. by the following vote:

Ayes: 3 - Yee, Christensen, Mar

Excused: 1 - Breed

150825 [Settlement of Lawsuit - Kathie Lustig - \$100,000]

Ordinance authorizing settlement of the lawsuit filed by Kathie Lustig against the City and County of San Francisco for \$100,000; the lawsuit was filed on June 13, 2014, in San Francisco Superior Court, Case No. CGC 14-539885; entitled Kathie Lustig v. City and County of San Francisco, et al; other material terms of said settlement are Co-Defendant PG&E will reimburse City \$50,000 as part of settlement. (City Attorney)

07/24/15; RECEIVED FROM DEPARTMENT.

09/08/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED.. by the following vote:

Ayes: 3 - Yee, Christensen, Mar

Excused: 1 - Breed

150834 [Settlement of Lawsuit - Pacific Gas and Electric Company - City to Receive \$1,594,700]

Ordinance authorizing settlement of the lawsuit filed by the City and County of San Francisco against Pacific Gas and Electric Company (PG&E) for \$1,594,700; the lawsuit was filed on March 6, 2013, in San Francisco Superior Court, Case No. CGC-13-529310; entitled City and County of San Francisco v. Pacific Gas and Electric Company; other material terms of the settlement are that the City will execute a limited release of claims covered by the litigation and the City and PG&E will each bear its own fees and costs. (City Attorney)

08/18/15; RECEIVED FROM DEPARTMENT.

09/08/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED.. by the following vote:

Ayes: 3 - Yee, Christensen, Mar

Excused: 1 - Breed

150835 [Settlement of Unlitigated Claim - Synergy Project Management, Inc. - City to Pay \$198,979.24]

Resolution approving settlement of the unlitigated claim by Synergy Project Management, Inc., against the City and County of San Francisco for \$198,979.24; claim was filed on August 22, 2014. (City Attorney)

08/19/15; RECEIVED FROM DEPARTMENT.

09/08/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED.. by the following vote:

Ayes: 3 - Yee, Christensen, Mar

Excused: 1 - Breed

150836 [Settlement of Unlitigated Claim - Synergy Project Management, Inc. - City to Pay \$501,561.80]

Resolution approving settlement of the unlitigated claim by Synergy Project Management, Inc., against the City and County of San Francisco for \$501,561.80; claim was filed on August 22, 2014. (City Attorney)

08/19/15; RECEIVED FROM DEPARTMENT.

09/08/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED.. by the following vote:

Ayes: 3 - Yee, Christensen, Mar

Excused: 1 - Breed

150837 [Settlement of Lawsuit - Yoshio Haraguchi - \$90,000]

Ordinance authorizing settlement of the lawsuit filed by Yoshio Haraguchi against the City and County of San Francisco for \$90,000; the lawsuit was filed on August 15, 2014, in San Francisco Superior Court, Case No. CGC-14-541209; entitled Yoshio Haraguchi v. City and County of San Francisco, et al.; other material terms of said settlement is payment of San Francisco General Hospital lien in the amount of \$20,000. (City Attorney)

08/19/15; RECEIVED FROM DEPARTMENT.

09/08/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED.. by the following vote:

Ayes: 3 - Yee, Christensen, Mar

Excused: 1 - Breed

150838 [Settlement of Unlitigated Claim - M Squared Construction, Inc. - \$38,000]

Resolution approving the settlement of the unlitigated claim filed by M Squared Construction, Inc. against the City and County of San Francisco for \$38,000; claim was filed on May 1, 2015. (City Attorney)

08/19/15; RECEIVED FROM DEPARTMENT.

09/08/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED.. by the following vote:

Ayes: 3 - Yee, Christensen, Mar

Excused: 1 - Breed

150839 [Settlement of Lawsuit - Thomas Mich - \$70,000]

Ordinance authorizing settlement of the lawsuit filed by Thomas Mich against the City and County of San Francisco for \$70,000; the lawsuit was filed on November 12, 2014, in San Francisco Superior Court, Case No. CGC 14-542654; entitled Thomas Mich v. City and County of San Francisco, et al.; other material terms of said settlement are Department of Public Health lien of \$20,469.30 is waived. (City Attorney)

08/19/15; RECEIVED FROM DEPARTMENT.

09/08/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED.. by the following vote:

Ayes: 3 - Yee, Christensen, Mar

Excused: 1 - Breed

150842 [Settlement of Lawsuit - Mountain Cascade, Inc. - \$3,200,000]

Ordinance authorizing settlement of the lawsuit filed by Mountain Cascade, Inc., against the City and County of San Francisco for \$3,200,000; the lawsuit was filed on June 11, 2013, in San Mateo County Superior Court, Master File No. CIV 519255, entitled In re: Mountain Cascade Contract Litigation, related to the Public Utilities Commission's construction of the Bay Division Pipeline No. 5 - Peninsula Reaches project. (City Attorney)

08/24/15; RECEIVED FROM DEPARTMENT.

09/08/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Vice Chair Christensen, seconded by Chair Yee, moved that this Ordinance be AMENDED on Page 1, Line 16, by striking 'Francisco' and adding 'Mateo'. The motion carried by the following vote:

Ayes: 3 - Yee, Christensen, Mar

Excused: 1 - Breed

RECOMMENDED AS AMENDED by the following vote:

Ayes: 3 - Yee, Christensen, Mar

Excused: 1 - Breed

150843 [Settlement of Lawsuit - Granville McCollough - \$87,000]

Ordinance authorizing the settlement of the lawsuit filed by Granville McCollough against the City and County of San Francisco for \$87,000; the lawsuit was filed on December 11, 2013, in San Francisco Superior Court, Case No. CPF-13-536075, entitled McCollough v. City and County of San Francisco, et al. (City Attorney)

08/26/15; RECEIVED FROM DEPARTMENT.

09/08/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED.. by the following vote:

Ayes: 3 - Yee, Christensen, Mar

Excused: 1 - Breed

150844 [Settlement of Lawsuit - Denise Green - \$495,000]

Ordinance authorizing settlement of the lawsuit filed by Denise Green against the City and County of San Francisco for \$495,000; the lawsuit was filed on March 30, 2009, in the United States District Court for the Northern District of California, Case No. C10-2649; entitled Denise Green v. City and County of San Francisco, et al. (City Attorney)

08/26/15; RECEIVED FROM DEPARTMENT.

09/08/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED.. by the following vote:

Ayes: 3 - Yee, Christensen, Mar

Excused: 1 - Breed

150852 [Tolling Agreement - California Department of Fish and Wildlife, Office of Spill Prevention and Response - San Mateo Creek Discharges]

Resolution approving a Tolling Agreement to toll the statutes of limitations for the California Department of Fish and Wildlife, Office of Spill Prevention and Response to bring potential claims against the Public Utilities Commission for discharges of chlorinated water into San Mateo Creek. (City Attorney)

08/31/15; RECEIVED FROM DEPARTMENT.

09/08/15; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

RECOMMENDED.. by the following vote:

Ayes: 3 - Yee, Christensen, Mar

Excused: 1 - 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.

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

Ayes: 3 - Yee, Christensen, Mar

Excused: 1 - Breed

ADJOURNMENT

There being no further business, the Government Audit and Oversight Committee adjourned at the hour of 12:23 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.