



**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*

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Thursday, April 7, 2016

9:30 AM

City Hall, Committee Room 263

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**Regular Meeting**

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*The Government Audit and Oversight Committee met in a regular meeting on Thursday, April 7, 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 9:36 a.m. On the call of the roll, Chair Peskin and Vice Chair Yee were noted present. Member Breed was noted not present. There was a quorum.*

### **Supervisor Breed Excused from Voting**

**Vice Chair Yee, seconded by Chair Peskin, moved that Supervisor Breed be excused from voting on File Nos. 160287 and 160203. The motion carried by the following vote:**

Ayes: 2 - Peskin, Yee

Excused: 1 - Breed

## **AGENDA CHANGES**

*There were no agenda changes.*

## REGULAR AGENDA

### **160287 [Ocean Avenue Community Benefit District - Annual Report to the City - FY2014-2015]**

**Sponsor: Yee**

Resolution receiving and approving an annual report for the Ocean Avenue Community Benefit District for FY2014-2015, submitted as required by the Property and Business Improvement District Law of 1994 (California Streets and Highways Code, Sections 36600, et seq.), Section 36650, and the District's management agreement with the City, Section 3.4.

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

03/28/16; REFERRED TO DEPARTMENT. Referred to the Office of the Controller and the Office of Economic and Workforce Development for informational purposes.

*Heard in Committee. Speakers: Chris Corgas (Office of Economic and Workforce Development); Daniel Weaver (Ocean Avenue Community Benefit District); presented information and answered questions raised throughout the discussion.*

**RECOMMENDED by the following vote:**

Ayes: 2 - Peskin, Yee

Excused: 1 - Breed

### **160203 [Fisherman's Wharf and Fisherman's Wharf Portside Community Benefit Districts - Annual Report to the City - FY2014-2015]**

**Sponsor: Peskin**

Resolution receiving and approving the annual report for the Fisherman's Wharf Community Benefit District and Fisherman's Wharf Portside Community Benefit District for FY2014-2015, submitted as required by the Property and Business Improvement District Law of 1994 (California Streets and Highways Code, Sections 36600, et seq.), Section 36650, and the Districts' Management Agreements with the City, Section 3.4.

03/01/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

03/07/16; REFERRED TO DEPARTMENT. Referred to the Office of the Controller and Office of Economic and Workforce Development for informational purposes.

*Heard in Committee. Speakers: Chris Corgas (Office of Economic and Workforce Development); Troy Campbell (Fisherman's Wharf Community Benefit District and Fisherman's Wharf Portside Community Benefit District); presented information and answered questions raised throughout the discussion.*

**RECOMMENDED by the following vote:**

Ayes: 2 - Peskin, Yee

Excused: 1 - Breed

Chair Peskin recessed the meeting at 10:00 a.m. and reconvened at 10:24 a.m.

Supervisor Breed was noted present at 11:08 a.m.

### **160265 [Hearing - San Francisco Public Utilities Commission Emergency Water Supply System]**

**Sponsor: Peskin**

Hearing on the operations and maintenance status of the City's emergency water supply system since taking it over from the Fire Department in 2010, and receiving an update on plans to dispose of spare parts deemed no longer useful or necessary to the ongoing functions of the system; and requesting the San Francisco Public Utilities Commission to report.

03/15/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

03/21/16; REFERRED TO DEPARTMENT. Referred to the Fire Department and the San Francisco Public Utilities Commission for informational purposes and requesting the departments to report.

*Heard in Committee. Speakers: David Briggs (Public Utilities Commission); David Myerson (Public Utilities Commission); Assistant Deputy Chief Ken Lombardi (Fire Department); Brian Strong (Capital Planning Program); presented information and answered questions raised throughout the discussion. James Dalessandro; James Douglas; Thomas W. Doudiet; Daniel Casey (San Francisco Firefighters Local 798); Bryan Rubenstein, President (San Francisco Fire Chief's Association); Dan Linehan; spoke on various concerns relating to the hearing matter.*

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

Ayes: 3 - Peskin, Yee, Breed

## **LITIGATION**

*Persons in attendance: Linda Simon (Department of Human Resources); Ron Weigelt (Department of Public Health); presented information and answered questions raised throughout the discussion for File No. 160192. Jon Givner, Deputy City Attorney (Office of the City Attorney); 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: 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.*

**160128 [Settlement of Lawsuits - California Department of Health Care Services - City to Receive \$928,763.44]**

Ordinance authorizing settlement of the lawsuits filed by the City and County of San Francisco against the California Department of Health Care Services, et al., for \$928,763.44; the lawsuits were filed on July 24, 2007, and November 3, 2008, in San Francisco Superior Court, Case Nos. CPF-07-507445 and CPF-08-508951; both lawsuits are entitled City and County of San Francisco v. Sandra Shewry, Director of the Department of Health Care Services, State of California, et al.; to compel respondents to approve and pay Short Doyle Medi-Cal claims and implement an appeal procedure for denied claims. (City Attorney)

02/08/16; RECEIVED FROM DEPARTMENT.

02/23/16; 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

**160130 [Settlement of Lawsuit - Roque and Sonia Ballesteros - \$79,000]**

Ordinance authorizing settlement of the lawsuit filed by Roque and Sonia Ballesteros against the City and County of San Francisco for \$79,000; the lawsuit was filed on December 31, 2015, in San Francisco Superior Court, Case No. CGC 15-549684; entitled Roque Ballesteros, et al. v. City of San Francisco, et al. (City Attorney)

02/12/16; RECEIVED FROM DEPARTMENT.

02/23/16; 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

**160131 [Settlement of Unlitigated Claim - Pacific Gas and Electric Company - \$37,872.50]**

Resolution approving the settlement of the unlitigated claim filed by the Pacific Gas and Electric Company against the City and County of San Francisco for \$37,872.50; claim was filed on August 27, 2015. (City Attorney)

02/12/16; RECEIVED FROM DEPARTMENT.

02/23/16; 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

**160132 [Settlement of Unlitigated Claim - Frank Fong - \$44,992]**

Resolution approving the settlement of the unlitigated claim filed by Frank Fong against the City and County of San Francisco for \$44,992; claim was filed on November 19, 2015. (City Attorney)

02/12/16; RECEIVED FROM DEPARTMENT.

02/23/16; 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

**160133 [First Amended Tolling Agreement - California Department of Fish and Wildlife, Office of Spill Prevention and Response - San Mateo Creek Discharges]**

Resolution approving a First Amended 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 San Francisco Public Utilities Commission for discharges of chlorinated water into San Mateo Creek. (City Attorney)

02/08/16; RECEIVED FROM DEPARTMENT.

02/23/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Peskin, Yee, Breed

**160191 [Settlement of Unlitigated Claim - Robert Monte - \$145,000]**

Resolution approving the settlement of the unlitigated claim filed by Robert Monte against the City and County of San Francisco for \$145,000; claim was filed on June 12, 2015; the claim involves an alleged injury on a City sidewalk. (City Attorney)

02/24/16; RECEIVED FROM DEPARTMENT.

03/08/16; 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

**160192 [Settlement of Unlitigated Claim - Diane Alcalá - \$225,000]**

Resolution approving the settlement of the unlitigated claim filed by Diana Alcalá against the City and County of San Francisco for \$225,000; claim was filed on February 4, 2010; the claim involves an employment dispute. (City Attorney)

02/24/16; RECEIVED FROM DEPARTMENT.

03/08/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

**Member Breed moved that this Ordinance be AMENDED, AMENDMENT OF THE WHOLE BEARING NEW TITLE, on Page 1, Line 1, striking 'a' and replacing it with 'e'; on Page 1, Line 3, striking 'a' and replacing it with 'e'; and on Page 1, Line 7, striking 'a' and replacing it with 'e'. The motion carried by the following vote:**

Ayes: 3 - Peskin, Yee, Breed

Resolution approving the settlement of the unlitigated claim filed by Diane Alcalá against the City and County of San Francisco for \$225,000; claim was filed on February 4, 2010; the claim involves an employment dispute. (City Attorney)

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

Ayes: 3 - Peskin, Yee, Breed

**160241 [Settlement of Lawsuit - Kuiana Taylor - \$49,999]**

Ordinance authorizing settlement of the lawsuit filed by Kuiana Taylor against the City and County of San Francisco for \$49,999; the lawsuit was filed on August 6, 2014, in United States District Court for the Northern District of California, Case No. 14-cv-03555 CRB; entitled Kuiana Taylor v. City and County of San Francisco; the lawsuit involves an employment dispute. (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

**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.

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

Ayes: 3 - Peskin, Yee, Breed

**160245 [Settlement of Unlitigated Claim - Big Heart Pet Brands - \$110,682.83]**

Resolution approving the settlement of the unlitigated claim filed by Big Heart Pet Brands against the City and County of San Francisco for \$110,682.83; claim was filed on November 19, 2015; the claim involves a payroll expense tax refund. (City Attorney)

03/10/16; 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

**160246 [Settlement of Unlitigated Claim - FMC Corporation - City to Receive \$425,000]**

Resolution approving settlement of the unlitigated claim filed by the City and County of San Francisco against FMC Corporation for \$425,000; the claim involves compensation for environmental contamination caused by FMC Corporation. (City Attorney)

03/11/16; 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

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

Ayes: 3 - Peskin, Yee, Breed

## **ADJOURNMENT**

*There being no further business, the Government Audit and Oversight Committee adjourned at the hour of 12:37 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.*