



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, December 1, 2016

9:30 AM

City Hall, Legislative Chamber, Room 250

Regular Meeting

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

The Government Audit and Oversight Committee met in regular session on Thursday, December 1, 2016, with Chair Aaron Peskin presiding.

ROLL CALL AND ANNOUNCEMENTS

Chair Peskin called the meeting to order at 9:45 a.m. On the call of the roll, Chair Peskin, Vice Chair Yee, and Member Breed were noted present. There was a quorum.

AGENDA CHANGES

There were no agenda changes.

REGULAR AGENDA

161158 [Campaign and Governmental Conduct Code - Form 700 (Statement of Economic Interests) Filing Requirements]

Sponsor: Breed

Ordinance amending the Campaign and Governmental Conduct Code to update the Conflict of Interest Code's Form 700 (Statement of Economic Interests) filing requirements for the City, San Francisco Community College District, San Francisco Unified School District, and Successor Agency to the Redevelopment Agency, by adding, deleting, and changing titles of designated officials and employees to reflect organizational and staffing changes, and by refining disclosure requirements for designated officials and employees.

10/25/16; ASSIGNED UNDER 30 DAY RULE to Government Audit and Oversight Committee, expires on 11/24/2016.

10/31/16; REFERRED TO DEPARTMENT. Referred to the designated officials and employees named in the Campaign and Governmental Conduct Code Section 3.1-103 (a) through (b).

Heard in Committee. Speakers: Andrew Shen (City Attorney's Office); LeeAnn Pelham, Director (Ethics Commission); Micki Callahan, Director (Department of Human Resources); Mawuli Tugbenyoh (Mayor's Office); presented information and answered questions raised throughout the discussion.

Chair Peskin moved that this Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE, by updating current positions and titles under the Campaign and Governmental Conduct Code. The motion carried by the following vote:

Ayes: 3 - Peskin, Yee, Breed

RECOMMENDED AS AMENDED AS A COMMITTEE REPORT by the following vote:

Ayes: 3 - Peskin, Yee, Breed

160478 [Campaign and Governmental Conduct Code - Requiring Commissioners to File Behested Payment Reports]**Sponsor: Peskin**

Ordinance amending the Campaign and Governmental Conduct Code to require members of City boards and commissions to file behested payment reports regarding the solicitation of charitable contributions.

05/03/16; ASSIGNED UNDER 30 DAY RULE to Government Audit and Oversight Committee, expires on 6/2/2016.

05/11/16; REFERRED TO DEPARTMENT. Referred to the Access Appeals Commission, Department of Aging and Adult Services, Airport Commission, Arts Commission, Asian Art Museum Commission, Assessment Appeals Board, Board of Appeals, Board of Examiners, Building Inspection Commission, Children and Families First Commission, Citizen's General Obligation Bond Oversight Commission, Civil Service Commission, Commission on the Status of Women, Elections Commission, Entertainment Commission, Environment Commission, Ethics Commission, Film Commission, Fine Arts Museum, Fire Commission, Recreation and Parks Department, Health Commission, Health Service System, Historic Preservation Commission, Human Rights Commission, Human Services Commission, Juvenile Probation Commission, Library Commission, Local Agency Formation Commission, Municipal Transportation Agency Board of Directors, Planning Commission, Police Department, Port Commission, Office of the City Administrator, Residential Rent Stabilization and Arbitration Board, Retiree Health Care Trust Fund Board, Retirement Board, Revenue Bond and Oversight Committee, Public Utilities Commission, Small Business Commission, Sunshine Ordinance Task Force, Treasure Island Development Authority Board of Directors, War Memorial, and Office of Economic and Workforce Development for informational purposes.

07/28/16; RESPONSE RECEIVED. 07/28/2016 - The Ethics Commission submitted their response noting the Commission supports the intent of the proposed ordinance with the recommendations and concerns noted in the staff report.

09/20/16; SUBSTITUTED AND ASSIGNED to Government Audit and Oversight Committee.

09/27/16; REFERRED TO DEPARTMENT. Referred to the Access Appeals Commission, Aging and Adult Service Commission, Airport Commission, Arts Commission, Asian Art Museum Commission, Assessment Appeals Board, Board of Appeals, Board of Examiners, Building Inspection Commission, Children and Families First Commission, Citizen's General Obligation Bond Oversight Commission, Civil Service Commission, Commission on the Status of Women, Elections Commission, Entertainment Commission, Environment Commission, Ethics Commission, Film Commission, Fine Arts Museum, Fire Commission, Golden Gate Concourse Authority Board of Directors, Health Commission, Health Service System, Historic Preservation Commission, Human Rights Commission, Human Services Commission, Juvenile Probation Commission, Library Commission, Local Agency Formation Commission, Municipal Transportation Agency Board of Directors, Planning Commission, Police Commission, Port Commission, Office of the City Administrator, Residential Rent Stabilization and Arbitration Board, Retiree Health Care Trust Fund Board, Retirement Board, Revenue Bond and Oversight Committee, Public Utilities Commission, Small Business Commission, Sunshine Ordinance Task Force, Treasure Island Development Authority Board of Directors, War Memorial, and Workforce Investment Board informational purposes.

10/21/16; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speakers: LeeAnn Pelham, Executive Director (Ethics Commission); Jon Givner (Office of the City Attorney); presented information and answered questions raised throughout the discussion. Larry Bush and Bob Planthold (Friends of Ethics); spoke in support of the hearing matter. Debbi Lerman (San Francisco Human Services Network); spoke on various concerns relating to the hearing matter.

Heard in Committee. Speakers: Larry Bush (Friends of Ethics); spoke on various concerns relating to the hearing matter. Debbi Lerman; spoke neither in support nor against the hearing matter.

Chair Peskin moved that the Ordinance be AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE, by striking 'a nonprofit' on Page 2, Line 3, and replacing it with 'an'; on Page 2, Line 4 by adding 'either' before 'Section 501(c)' and adding 'or Section 527' before 'of the United States Internal Revenue Code.' The motion carried by the following vote:

Ayes: 3 - Peskin, Yee, Breed

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

Ayes: 3 - Peskin, Yee, Breed

161134 [Urging the San Francisco Employees Retirement System Board to Review Executive Compensation]

Sponsor: Kim

Resolution urging the San Francisco Employees Retirement System Board to review executive compensation, evaluate best practices on salary compensation, hold a public hearing on the matter, and issue a report.

10/18/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

10/21/16; REFERRED TO DEPARTMENT. Referred to the Retirement Board for informational purposes and requested the Department to report.

10/26/16; CONTINUED TO CALL OF THE CHAIR. Heard in Committee. Speakers: None.

Heard in Committee. Speakers: None

CONTINUED TO CALL OF THE CHAIR by the following vote:

Ayes: 3 - Peskin, Yee, Breed

Vice Chair Yee was noted absent at 11:01 a.m. and for the remainder of the meeting.

Supervisor Yee Excused from Attendance

Member Breed moved that Vice Chair Yee be excused from the remainder of the Government Audit and Oversight Committee meeting on December 1, 2016. The motion carried by the following vote:

Ayes: 2 - Peskin, Breed

Excused: 1 - Yee

Chair Peskin recessed the meeting at 11:49 a.m. and reconvened at 11:51 a.m.

161137 [Hearing - Work Group to Re-Envision the Jail Replacement Project]**Sponsors: Breed; Kim**

Hearing on the outcomes and recommendation from the Work Group to Re-Envision the jail Replacement Project; and requesting the Department of Public Health, the Sheriff's Department, and San Francisco Taxpayers for Public Safety to report.

10/18/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

10/25/16; REFERRED TO DEPARTMENT. Referred to the Department of Public Health, Sheriff's Department, and the San Francisco Taxpayers for Public Safety for informational purposes and requesting the various agencies to report.

Heard in Committee. Speakers: Sheriff Vicki Hennessy (Sheriff's Office); Kyle Patterson (Office of the Controller); Barbara Garcia, Director (Department of Public Health); Roma Guy (Taxpayers for Public Safety); Adele Failes-Carpenter, Director (Youth Commission); presented information and answered questions raised throughout the discussion. Phobe Vanderhorst (WayPass); Laura Magnani (American Friends Service Committee); Michael Lyon (San Francisco Gray Panthers); Laura Thomas (Drug Policy Alliance); Andrew Szeto and Lily Haskell (Critical Resistance); Gabriela Pelsinger; Jackie Flin, Executive Director (A. Philip Randolph Institute San Francisco); Woods Ervin (TGI Justice Project); Iris Biblowitz; Reverend Glenda Hope (Safe House for Women); Meredith Marzoli (American Civil Liberties Union); Kurt Grimes (A. Philip Randolph Institute San Francisco); Beverly Upton (San Francisco Domestic Violence Consortium); Adele Failes-Carpenter; Caitlin Miller; Charles M. Minster (Senior Disability Action); David Wiesner (Recovery International); Kate Monicoklein (Taxpayers for Public Safety); Debbi Lerman (San Francisco Human Services Network); Ken Jones; Jesse Stout; Brooke Rosen; Barbara Attard (Accountability Associates); Coral Faygen; Jessie Inburg; spoke on various concerns relating to the hearing matter.

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

Ayes: 2 - Peskin, Breed

Excused: 1 - Yee

LITIGATION

Speakers: None.

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 and Andrew Shen (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.

The Committee elected to hold the Litigation items in open session, therefore no motion was made to convene in closed session or disclose closed session deliberations.

161187 [Settlement of Unlitigated Claim - Amy Scott - \$60,000]

Resolution approving the settlement of the unlitigated claim filed by Amy Scott against the City and County of San Francisco for \$60,000; the claim was filed on February 24, 2016; the claim involves a personal injury on a City street. (City Attorney)

10/31/16; RECEIVED FROM DEPARTMENT.

11/15/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Peskin, Yee, Breed

161188 [Settlement of Unlitigated Claim - Seosamh Obriain - \$73,359.94]

Resolution approving the settlement of the unlitigated claim filed by Seosamh Obriain against the City and County of San Francisco for \$73,359.94; claim was filed on January 28, 2015; the claim involves alleged property damage. (City Attorney)

10/25/16; RECEIVED FROM DEPARTMENT.

11/15/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

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

Ayes: 3 - Peskin, Yee, Breed

161238 [Settlement of Claims - Ronald and Patricia Martell - \$5,007,400.31 and Hold Harmless; Appropriating \$4,000,000 from the Water Enterprise Fund Balance - Waiver of Contract Requirements for Landslide Repair on Private Property Not to Exceed \$500,000]

Sponsor: Yee

Ordinance authorizing final settlement of Claim No. 16-02314 filed by Ronald and Patricia Martell against the City and County of San Francisco by payment of \$4,469,637.02 establishing a third-party escrow account in the amount of \$537,763.29 as a Landslide Contingency Fund, for a total potential payment of \$5,007,400.31 and holding claimants harmless from third party claims for a limited period; the claim was filed on February 25, 2016; the claim involves alleged property damage arising from the January 25, 2016, landslide on Casitas Avenue; appropriating \$4,000,000 from the Water Enterprise fund balance for such purpose; and waiving Administrative Code contract requirements except for Administrative Code, Section 12B.1(a) (nondiscrimination) and Section 6.22(e) (prevailing wage), for San Francisco Public Utilities Commission (SFPUC) contracts to implement landslide stabilization measures at 256 Casitas Avenue prior to April 1, 2017, or to undertake landslide repairs on 266 Casitas Avenue, with an engineer or construction contractor, subject to approval by the applicable property owner at 256 Casitas Avenue and/or 266 Casitas Avenue, if the SFPUC's Commission President and General Manager determine such contract is necessary to protect public facilities or minimize or avoid City liability, not to exceed \$500,000 in total for any such contracts. (City Attorney)

11/15/16; RECEIVED AND ASSIGNED to Government Audit and Oversight Committee.

Vice Chair Yee moved that this Ordinance be RECOMMENDED AS A COMMITTEE REPORT. 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 12:52 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.