

# The San Francisco

# INVESTIGATOR

The Newsletter for people who do not trust City Hall

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## Big Stink at Department of Public Works

### CONSULTANTS RIP-OFF CITY – CITY DOES NOT CARE

The Department of Public Works has paid \$331,129 to Sam Murray—of Business Development, Inc.—to function as San Francisco's only Odor Control Specialist. Murray's task—which began in Nov. 1993—is to inform citizens about the Odor Control Program, maintain a database of odor complaints, operate a mobile olfactory laboratory and staff an Odor Hotline.

Despite these efforts, City odors persist—unabated. The Odormobile can generally be found parked behind the stinking sewage plant on Evans Avenue. From his office at the Department of Public Works, Murray faxes time-sheets to Business Development Inc., detailing his odorous tasks. DPW pays BDI. BDI pays Murray.

Murray is listed as a City employee (DPW) in the official Telephone Directory of the City and County of San Francisco. Yet, his BDI Odor Control consultant time-sheets indicate that he works full-time for BDI. DPW officials describe Murray as an "Information Specialist."

Its tough holding down two jobs. On June 6, 1994, as a BDI consultant, Mr. Murray billed DPW eight hours for "phoning the Odor Hotline at night to test the system." On Jan. 26, 1995 he billed eight hours for making two telephone calls "to find out when

the Odor Hotline would be hooked up."

The first Odor contract (\$26,009) was number 13 of 19 amendments to a 1989 "Master Agreement" with Business Development, Inc. that has netted BDI and its President, Calvin Hayes, \$1.8 million—from Sewer Bond funds.

DPW official Boon Lim informed SFI that, "There have never been any performance evaluations of any of BDI's work." Regular performance evaluations are required by law.

Norman Chan, of DPW's Bureau of Engineering, says, "We have no contract monitoring reports on BDI, just invoices. We hire a firm, we receive invoices, we pay them. We are not aware of their performance or what they are doing. There has never been any on-site monitoring of BDI, to my knowledge."

A random sampling of seven invoices totaling \$183,000 shows that DPW regularly paid BDI for unbudgeted, ineligible expenses: \$2,862 for a "luncheon"; \$2,500 in undocumented payments to George Mix of the Urban League for an "orientation"; \$5,074 for deck lumber and hardware; \$1,061 for a video camera; \$1,920 for a "stenographer"; \$125 to ex-Housing Authority Commissioner Sululagi Palega for "food." Ninety

percent of the listed expenses had no supporting documentation, e.g. receipts!

All tasks were accomplished in even increments of two, four and eight hours. Dozens of hours—in one month alone—were billed to "meetings with Alex Pitcher," the DPW supervisor who authorized all of BDI's invoice payments.

#### HOW IT ALL BEGAN

In July 1989 DPW hired BDI—without benefit of mandatory public advertising—to oversee "public participation and Affirmative Action compliance" during construction of DPW's Sunnydale sewer-pump station. BDI proposed a fee of \$50,000. The fee was reduced to \$49,518 to escape mandatory scrutiny by the City Administrator's staff, which examines all contracts \$50,000 and up. But because BDI's original fee proposal was \$50,000, the contract also escaped scrutiny by the Purchaser's office, which examines contracts under \$50,000.

As a cover for the lack of competitive bidding, the Human Rights Commission volunteered an inadequate justification for the sole-sourcing of the slyly-priced Sunnydale contract: "Its a minority firm that has been doing work for [DPW's] Clean Water Program

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I CANNOT ACCEPT YOUR CANON THAT WE ARE TO JUDGE POPE AND KING UNLIKE OTHER MEN. WITH A FAVORABLE PRESUMPTION THAT THEY DID NO WRONG. IF THERE IS ANY PRESUMPTION IT IS THE OTHER WAY AGAINST HOLDERS OF POWER. INCREASING AS THE POWER INCREASES. HISTORIC RESPONSIBILITY HAS TO MAKE WAY FOR THE WANT OF LEGAL RESPONSIBILITY. POWER TENDS TO CORRUPT AND ABSOLUTE POWER CORRUPTS ABSOLUTELY. GREAT MEN ARE ALMOST ALWAYS BAD MEN. EVEN WHEN THEY EXERCISE INFLUENCE AND NOT AUTHORITY: STILL MORE WHEN YOU SUPERADD THE TENDENCY OR CERTAINTY OF CORRUPTION BY AUTHORITY. THERE IS NO WORSE HERESY THAN THAT THE OFFICE SANCTIFIES THE HOLDER OF IT... AND THAT THE END JUSTIFIES THE MEANS. HERE ARE THE GREATER NAMES COUPLED WITH THE GREATER CRIMES. YOU WOULD SPARE THESE CRIMINALS. FOR SOME MYSTERIOUS REASON. I WOULD HANG THEM HIGH... FOR REASONS OF OBVIOUS JUSTICE: STILL MORE, STILL HIGHER, FOR THE SAKE OF HISTORICAL SCIENCE.

Lord Acton.  
The History of Liberty

# RAKED MUCK

## AIRHEADS

Airport profits of \$8.7 million were used to lower landing fees and terminal rental rates charged by the City to the poverty-stricken Airlines. The Airport Commission is largely controlled by the Airlines and Airport Commissioner **Larry Mazzola's** allegedly corrupt Plumbers Union, Local 38. Meanwhile, **Da Supes** allowed the Airport to hire the Conservation Corps (minority youth) to clean up toxic wastes at the Airport—for less than prevailing wages. Workers, unite.

## MUCKITY MUCKS

The fourteen City Department heads composing the Capital Improvements Advisory Committee met for an hour on Oct. 30 to try and get a grip on what is euphemistically known as "off-budget" expenses. Several billion dollars slip through our Treasury each year. These dollars do not appear in the Mayor's operating budget. Nobody knows how much of our wealth resides in Off-Budget Land.

**Mark Primeau**, Director of Public Works, asked the CIAC to find \$250,000 to hire consultants to conduct "quality assurance reviews" of bond-funded projects, such as the de Young Museum. Several committee members shook their heads, exclaiming, "I can't believe we do not already do this!"

City Administrator **William Lee** stated that the Civic Center Plaza improvements were "pieced together" and that all bond proposals come to him with "no detail, no quantification, no cost analysis." It is impossible to determine if bond-financed construction improvements have "value benefit," says Lee.

All agreed that the City's long-term capital planning is hopelessly fragmented and that building projects are not logically related. "Plus," said the Mayor's Budget Director **Steve Agostini**, "We are running up against our debt limit and every City Department wants to try and grab a piece before we run out of credit."

All nodded sagely and voted unanimously to "approve the concept of a quality assurance review." No money was found for this worthy cause. It was 11 a.m. Time for lunch.

## SUNSHINE TASK FORCE IS A JOKE

The Sunshine Task Force was legislated into existence "to ensure that ... the  
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Dear Reader,

Welcome to the inaugural issue of The San Francisco Investigator.

In these pages you will find absurdities – and possible felonies and misdemeanors – committed by more than a few of the 24,521 bureaucrats who run our City.

Every fact printed in these pages is provably true and substantiated by a public record copied under the California Public Records Act and the Sunshine Ordinance. SFI will make copies of these documents available upon request. SFI welcomes our fellow citizen-investigators to join in the hunt for fraud, waste and official misconduct.

The woods at City Hall are literally jumping with suitable subjects for investigation. Neither the mainstream media – nor the "official" investigators – are interested in exposing graft, corruption and incompetence. These forces are content to pretend that pervasive corruption ended with the days of Boss Tweed in New York City and Abe Ruef in San Francisco.

The stories in this premier issue are the slender tip of a growing iceberg. Most people simply do not know how our tax-dollars are spent. Investigating City Hall reminds me of Sherlock Holmes and the Case of the Purloined Letter. The evidence of the "crime" is sitting right there in front of us – inside the millions of pages of paper generated by the City every year.

SFI does not deal with "insider" gossip, nor bow to the political agendas of the rich and famous. SFI presents the facts – it is up to the public to decide what to do with these facts.

This year I was honored with the Society of Professional Journalist's "Journalistic Enterprise" Award for my investigative series in the Bay View newspaper exposing corruption at the Housing Authority and the Department of Housing and Urban Development. Despite this stamp of professional approval, no official body has yet made a move to sanction the perpetrators. One can only wonder if the "white collar" episodes described in SFI will result in meaningful reform.

A sense of humor is essential – as is a sense of outrage.

Very Truly Yours,

*Peter Byrne*  
Editor and Publisher

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# CRIMES IN THE STACKS

## NEW MAIN IS BROKE AND THE BOOKS ARE GONE

Scandals at the New Main Library hit the national scene last month when the well-guarded compound was subjected to ridicule in *The New Yorker* and *Newsweek*. Controversy centers around City Librarian Kenneth Dowlin's practice of dumping books to make room for computers.

In August Dowlin's staff wrote that the New Main contains "nearly one million books." Library activist Bill Hale then released two versions of a 1990 plan for the New Main found tucked away in the stacks. The draft version states that shelving space will be needed for 1,272,180 books in the New Main. A book count and architectural details—such as linear feet of book shelving—are missing in the official edition.

It is safe to assume that at least 272,180 books are rotting in the Altamont landfill. But, we have 300 computer terminals to play with now—and in May 1997 the Readers Digest Fund is sponsoring an exhibition of Americana in one of the corporate party-rooms.

When the New Main opened in April, a Dowlin advertising campaign touted the New Main as "a place to visit, look and listen." Dowlin boasts that the New Main hosts 9,000 visitors a day. The two most popular rooms in the New Main have sinks, mirrors and stalls. Visitors are not necessarily *readers*.

What is really going on inside the reader-unfriendly visitor center—where sixty percent of the books can be looked at, but not checked out overnight to be read? Follow the money to find out.

The Library budgeted \$2.8 million this year for computer equipment, supplies and lease/purchase payments to Digital Equipment Corporation. We are still paying for the DEC main frame purchased in 1989 for \$8 million, plus the costs of annual "system upgrades."

Dowlin sent us into debt for a \$3.3 million revenue bond to feed DEC—before the City Controller put a stop to the

Library's habit of turning over its operating reserves to DEC and Pac Bell—to the tune of \$1.5 million last year. The \$3.3 million bond principal will double in cost before it is paid off.

The budget-killing DEC main frame is not much use to the public—except for Internet access on selected units—and a plunge into the vacant depths of the online catalogue. Library activists claim that the online system could be run serially on PCs—vitiating the need for DEC and nearly a dozen Management Information Specialists.

This year's Pac Bell bill for linking library terminals to cyberspace is a whopping \$853,782. That's good news for Steve Coulter, President of the Library Commission and Vice President for External Affairs of Pacific Telesis. Its also a conflict of interest prohibited by the Administrative Code, which forbids Commissioners who are corporate officers from doing company business with the

agency they govern.

The Library has encumbered \$6.1 million to pay for computer equipment in hand. Millions more are projected to be spent on cyber-ware as visitors learn to look and not read.

Counting un-itemized "other expenses," Dowlin is dishing out \$800,000 this year for personal service contracts (consultants). Dr. Chan is pulling down \$9,000 for ruminating about "human-computer interaction."

The Library recently "accepted a gift of six computer system software packages, including 660 workstation licenses" from Microsoft Corporation. Now the New Main gets to purchase another 354 PCs—and 654 Windows programs at \$2,199 a pop. Eat your heart out, Apple.

Cyber-philanthropist Bill Gates is selling Libraries Online!, "aimed at helping 41 North American libraries expand their electronic services." The "gift" of six

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## ROJAS, THE GODFATHER

### SECRET LAND-SWAP EXPOSED BY THE NEIGHBORHOODS

October 8—Waldemar Rojas, Superintendent of the San Francisco Unified School District, sweeps into the Public Utilities Commission meeting surrounded by an entourage of flinty-eyed men wearing thousand dollar suits—doing the Michael Corleone shuffle.

Commission President Dennis Normandy tells lesser mortals that our public testimony is limited to three minutes—and no one can say anything that has been said by another speaker. Speakers from Sunset Heights and the Excelsior District have organized in opposition to a move by

Rojas to seize an acre of open space at Seventh and Lawton.

Willie Brown made a campaign promise to build a Youth Center in the Excelsior. Rojas offered him the playground of the San Francisco Community School at 125 Excelsior Street. To help build Brown's \$8 million Youth Center, Rojas promised to broker \$2.3 million in State education funds.

In return, Rojas is demanding the deed to the acre of open space at Seventh & Lawton. Rojas and Brown signed a secret Memorandum to this effect—which was uncovered by neighborhood activists. One of the consequences of the deal is that an existing day-care center serving Excelsior families will be displaced.

The Seventh & Lawton lot is well-known as a place to buy pumpkins at

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## RAKED MUCK

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people of the City remain in control of the government they created." The ten citizens who sit on this year's Task Force have no budget, no money, no power. The Sunshine is controlled by **John Taylor**, venerable Clerk of the Board of Supervisors, and **Jill Lerner**, an employee of the City Administrator's office, which provides the Taskees with pencils. Neither **Da Supes**, nor **Da City Administrator**, have a vested interest in shining **Da Sun** into the nooks and crannies in which they hide our billions.

Last year's Task Force came up with these brilliant rules. "Task Force members do not receive complaints from citizens. In the event that a Task Force member is approached, the member shall direct the citizen to the office of the clerk [Lerner]. ... If possible the clerk will make a phone call ... to resolve the problem."

The Task Force's lawyer is ... **Da City Attorney**. The same City Attorney who represents the Departments accused of violating the Sunshine Ordinance! The same City Attorney who, as of October 29, is attempting to charge tenant activist Eladio J. Ballestas—and yours truly—\$105 per hour for Deputy City Attorney **Leslie Trutner** to censor thirty very incriminating files requested under the Sunshine Ordinance. (Trutner takes every Friday off—on paid administrative leave.)

City Attorney Louise Renne spent fifty-five percent of her current \$10 million budget allocation in the first quarter of this fiscal year. In just three months, Renne spent \$284,494 on consultants and unidentifiable "other expenses." She paid out \$900,000 in judgments against her office. One division is \$304,988.51 in the red, probably Trutner's. **Da Fiscal Genius** forgot to allocate even a single penny for \$25,713.39 worth of blank legal forms. No wonder Louise is trying to rob us: she's broke.

### PARTING SHOTS

The only City Agency with a lower budget than the **Ethics Commission** (\$311,066) is ... the **Environment Commission** (\$117,842). The **Commission on Aging** can't even compete for low ranking—because its current allocation is ZERO. Yet, it has managed to create a \$23,186 deficit for itself. Once a bureaucrat—always a bureaucrat.

## NIGHT OF THE UNCLAIMED DEAD

*What happens to your body if you die indigent and alone in San Francisco?*

If nobody has paid a funeral parlor at least \$700 to pick up your dead body within 24 hours, Herb Hawley, Medical Examiner, will forward your remains to Dori Tico: State Curator of the Unclaimed Dead.

If you are an Unclaimed Dead and you died of an infectious disease, Hawley will simply ship you off to a cheap incinerator. Without seven bills in hand, your relatives cannot claim your ashes, or even a ten-cent copy of your Death Certificate.

If Herb consigns you to the State Curator of the Unclaimed Dead, Dori springs for your wagon-fare to Parnassus Heights. She then offers you for sale to Science. For some awful reason, podiatrists and chiropractors buy the most Unclaimed Dead.

The State Curator works out of the Anatomy Department at UCSF. Her turf is all of Northern California. If you expire under mysterious circumstances and get autopsied—no career in Science for you—you're too gruesome for students. But, if you are a healthy Unclaimed Dead: you are worth money to Dori.

How much? Well, SFI did a Public Records Acts Request on the Office of the Curator and got the 1989-95 Annual Reports. Dori claims that she does not have a record of bank deposits or sales tax slips—or even any correspondence files. While it is probable that Dori receives few letters from her clients, there must be a price list taped to a wall somewhere.

The single sheet of paper that Dori coughed up as her Training Manual reads: **FIRST:**

*Write "UNCLAIMED DEAD" across the top ....*

**SECOND:**

*Determine whether it is indeed an unclaimed case. ...*

**LASTLY:**

*... Unclaimed cases must be held for 30 days. (Therefore—may never be used for fresh material.)*

During the fiscal years ending in 1990 and 1991, Dori sold 57 Unclaimed Dead, including, sadly, two children. What icy blood flows in the veins of bureaucrats who are capable of selling two dead chil-

dren for a profit?

1992 was a lean year for the Curator. Her Annual Report remarks, "The extremely small number of Unclaimed reported to this office over the past year was of serious concern to me."

Things picked up in 1993. "The number of acceptable Unclaimed Dead reported to my office over the last year increased slightly, yet it continues to be a concern ... the growing demand for cadavers increases the need to supplement our Program."

One shudders to imagine the methods employed for supplementation.

Each year the Annual Reports of the Unclaimed Dead list the institutional sources and final destinations of the Unclaimed. From time to time, an Unclaimed is listed as "pending assignment."

At the end of Fiscal Year 1990, one Unclaimed was cooling his or her heels while pending assignment. SFI added up the deliveries (29) and the assignments to Science (28) and discovered that the Unclaimed who was pending assignment in 1990 disappeared into thin air in 1991. 28 Unclaimed were delivered to Dori in 1991 and 28 were assigned. The Unclaimed pending assignment from 1990 does not show up on the roster for 1991.

Between 1993 and 1994, two Unclaimed fell between the cracks. At the end of FY 1995, one Unclaimed was pending. The Annual Report for 1996 has not yet been released, but SFI fears that the pending Unclaimed from 1995 has suffered the same fate as the previous pendees.

At least three, maybe four, Unclaimed now need to be reported to the Bureau of the Missing Unclaimed Dead! Is it possible that four Unclaimed Dead were dropped behind a filing cabinet ... or maybe they were Undead—and caught the N Judah.

*SFI promises to get to the bottom of this! SFI's rule for investigating the Unclaimed Dead is the same as our rule for investigating the Walking Dead: follow the money.*

# CONFLICT OF INTEREST

## OFFICIAL MISCONDUCT AT REDEVELOPMENT

Lynette Sweet is Vice President—and a Branch Manager—of Union Bank. She is also a San Francisco Redevelopment Agency Commissioner.

Redevelopment maintains a Revolving Account at Union Bank. In the first nine months of this year, \$91 million revolved through the account. Union bank used our \$91 million to make loans at market interest rates. In return, Union Bank paid us one percent interest. With average daily balances of \$475,000, the interest paid on the \$91 million cash flow was \$4,439.58.

Before we analyze the interest scam, we must ask why RDA is doing business with a bank controlled by an RDA Commissioner?

Section 16.980 of the San Francisco Administrative Code prohibits members of boards and commissions from contracting with the city:

(a) *FINDINGS.* 1) City contracts should be, and should appear to be, awarded on a fair and impartial basis.

(2) The practice of members of Boards and Commissions ... contracting with the City creates the potential for, and the appearance of, favoritism or preferential treatment by the City ...

(3) Prohibiting members of Boards and Commissions of the City from contracting with the City will eliminate both actual and perceived favoritism ....

(c) *PROHIBITION.* No member of a Board or Commission ... shall ... contract with the City, the San Francisco Redevelopment Agency ... where the amount of contract exceeds \$10,000.

(d) *EXCEPTIONS.* This section shall not apply to the following contracts ... a contract or sub-contract with a business with which a member of a Board or Commission is affiliated unless the member exercises management and control over the business [as] ... an officer or director of the corporation. ...

(f) *PENALTIES.* Violation of any provision of this Section shall constitute official misconduct.

When SFI told Lynette Sweet that RDA holds an account at Union Bank, Commissioner Sweet replied: "They do:"

When asked about her potential conflict of interest, Ms. Sweet suddenly remembered that Deputy City Attorney Buck Delventhal said it was "okay" for her to be a Commissioner, even though RDA banks over \$100 million with her.

On the basis that this cozy arrangement "creates the potential for, and the appearance of, favoritism and preferential treatment," Commissioner Sweet must immediately resign—or RDA must find a new bank.

There is another good reason for RDA to stop depositing \$100 million a year in Ms. Sweet's bank: crummy interest rates. SFI obtained an interest rate quote from

Wells Fargo for the exact same type of account: one and a quarter percent. Bay View Federal pays two percent! Despite—or because of—Ms. Sweet's presence on the Commission, RDA has failed to exercise its fiduciary duty to obtain the best rate of return for our money!

RDA also failed to put deposits in "overnight repos," which increase the rate of interest. This can add up to a lot when the bank balance averages a half million bucks a day. Making the conflict of interest even worse is the fact that Union Bank advertises a one and one-fifth percent interest for this type of account—not the measly one percent which the brains at RDA negotiated.

A look at September's canceled checks illuminates RDA's priorities.

Swinerton & Walberg Co. . . . .	\$886,344.80
SF Housing Development Corp. . . . .	\$56,163.75
Weight Watchers . . . . .	\$360.00
United Negro College Fund. . . . .	\$4.33

One can only speculate as to why Commissioner Leroy King cashed a \$75 check at Goldlane Supermarket ... tax-

free funds, presumably.

Redevelopment currently holds twenty bank accounts and \$300 million in cash investments. SFI will check out those interest rates, too. RDA's total assets are \$1.1 billion, yet the bottom line in its 1996-97



budget is a \$36 million deficit! Our property taxes are filling in that gaping hole.

Ms. Sweet's conflict pales beside the little-known fact that Clifford Graves, Executive Director of Redevelopment, was Managing Director of Grigsby Brandford & Company, Inc. from 1988 to 1993—when he re-entered the revolving door between the public and private investment industries.

Grigsby Brandford—a premier municipal bond underwriting firm—broke apart in September after the FBI videotaped Grigsby kicking back with Grave's counterpart from Miami—a city official caught taking a bribe for steering Miami's municipal bond business to Grigsby—Grave's former partner. Hmmmm.

Before Graves went to work with Grigsby he was the Chief Administrative Officer of San Diego County. At Grigsby Brandford, Graves "managed or acted as financial adviser on more than \$500 million in financing for ... redevelopment projects, primarily in Southern California."

*SFI will investigate whether or not Grigsby was underwriting bonds for Graves at Redevelopment.*

GODFATHER CONTINUED FROM PAGE 3

Halloween, trees at Christmas—and as a recreational area. Rojas' staff has declared that they "may or may not" build a day-care center at the site—which fronts some of the heaviest traffic in the City.

What is really going on is that Rojas is building a personally-controlled real-estate empire—using our tax dollars to accumulate political and economic power. Rojas is under no obligation to trade the playground for the pumpkinpatch. Rojas just *refuses* to release the playground—unless he is deeded the Seventh & Lawton land—which is perfect for condos. Did Rojas make Brown an offer he couldn't refuse?

Dennis Normandy nearly kisses Rojas hand. Rojas speaks softly for ten minutes—he asks the PUC to accept \$10,000 for the land—appraised at \$2.5 million. Bill Maher, aide to Mayor Brown, does an "ah, shucks, it's for the kids" routine.

Protecting Rojas' back like soldiers are Larry Del Carlo, recently fired by Mayor Brown—and hired by Rojas; John Barber, Del Carlo's replacement at the

Mayors Office of Community Development; Tim Tronson, Rojas' Property Czar; and a few lesser lights from the Department of Real Estate.

After quietly "asking" the PUC for this "favor," Rojas and his courtiers exit. In the stillness that follows, Dennis Quinn, of the Sunset Heights Association of Responsible People (SHARP), offers the PUC \$11,000 cash for the land. Normandy does not respond to the high bidder. Commissioner Werbe wakes up long enough to join in the unanimous vote to do Rojas ... this little \$2.5 million favor.

One week later, at a well-attended community meeting sponsored by SHARP, the same entourage shows up, minus their leader. Barber and Tronson as much as call the gathering of neighbors from the Sunset and the Excelsior: NIMBYS. (In 1996, anyone who disagrees with a land speculator is a NIMBY.)

Rojas' minions crow that the land swap is a "done deal" and that they are "only here because we have this democratic process thing to deal with ..." Tronson

gleefully admits to "land-banking." Tronson emphasizes that Rojas will let the Youth Center deal die—if Rojas is not shown respect.

Sunset Heights neighbors insist that they are not opposed to youth centers, but they are opposed, said one, to "an oligarchy of developers—disguised as teachers—that trample on the neighborhoods." Excelsior neighbors insist that the needs of their small children are being held hostage to Willie Brown's subservience to Rojas.

With Brown's \$2.5 million from Block Grant funds—the Youth Center budget has a funding "gap" of \$3.2 million. Barber claims that Excelsior-based Walgreens and Safeway Stores have promised to fund the shortfall. Dream on.

The U.S. Secretary of State, oops, we mean San Francisco Mayor Willie Brown, has already shined up his gold-plated shovel for a sound-bite at the playground-breaking ceremony. Will Brown's "small" Board of Supervisors approve the land-swap for Rojas—who is contending with Willie Brown to be the Boss of San Francisco?

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for some time." HRC forms put the contract at \$155,000 to bring it within HRC jurisdiction.

Further muddying the waters, DPW asserted that the "community outreach" contract was an Architectural & Engineering contract and that BDI could be "appointed" to the job. The initial and subsequent hirings of BDI ignored every local, State and Federal law requiring public notice and competitive bidding for personal service contracts.

Suddenly—the Sunnydale job became only a "service order" attached to a secretly negotiated "Master Agreement" for unspecified BDI services. The Master Agreement contains no dates, sets no price standards—and has no cost ceiling! The initial sole-source waiver for Sunnydale miraculously became a sole-source waiver for all future BDI contracts!

A handwritten note on the original Master Agreement exclaims, "Ask George if its possible to have an agreement with

no \$ and no time limit." Deputy City Attorney George Wong obviously is not familiar with City procurement procedures. George opined that tasks, prices and delivery dates could be negotiated later.

From 1989 to 1996 DPW issued 19 Change Orders to the Master Agreement. A \$49,518 swell deal became a \$1.8 million bonanza. The Board of Supervisors, which must approve all contracts "involving or totaling \$1 million or more," has never seen the self-cloning BDI Master Agreement.

When DPW starts a construction job in Bay View Hunters Point, BDI is automatically brought on board to "monitor affirmative action" and "pass out informational flyers in the community." The essence of BDI's involvement is summed up in a July 1992 DPW change order for BDI: "If denied, the projects may be interrupted due to community objection."

In addition to each BDI employees' \$25-\$50 an hour compensation, BDI is paid more than double its hourly fees

(109 percent) in the form of "overhead," plus a ten percent "profit" for each service order. While Sam Murray works out of a DPW office—BDI pulls down an average of \$3,400 per month for Murray's office "overhead."

DPW never bothered to check BDI's invoices against actual work performed because DPW did not want Hayes "interrupting" their projects! Hayes and Murray are key players in a Bay View Hunters Point cabal that takes vast sums of money from the City to rubber-stamp the ongoing environmental and sociological destruction of the mainly African American community.

By 1992 Hayes was routinely contracted for deliverables such as, "Redesign a Trend for Future generations to imitate as a means of productive contribution to society and meaningful citizenship."

In BDI's Sept. 1992 proposal to operate a "pre-apprenticeship program"—funded by DPW to the tune of

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Windows software packages positions Microsoft for another \$1.4 million in software sales and an unknown amount in Libraries Online! fees. Coulter—who calls library patrons “customers”—will probably get a commission—pun intended—when the New Main's phone bill passes the million dollar a year mark.

## DECEIT

Coulter & Dowlin recently announced that the Library is running a deficit—they call it an “over-expenditure”—of \$1.9 million. They talk of balancing the budget by laying off the remaining library Pages—down to 80 this year from 117 last year. What they fail to mention is that the maximum savings from a complete wipe-out of the “temporary” Pages still leaves a budget shortfall of \$1,310,669.

Dowlin deliberately under-budgeted traditional library service costs to make room for sky-rocketing computer costs. Dowlin's sudden cry of poverty in the stacks is a ploy to feed his computer addiction with General Funds.

The current book purchase allocation is \$3.4 million. According to a Controller print-out obtained by SFI, not a single penny was spent on books as of Oct. 10. The only way for Dowlin to counter his “over-expenditure” on cyber-toys—and computer nurses—is to refuse to buy new books. (Not that there are available shelves ....)

Library executives and Commissioners have mortgaged our intellectual assets to Digital Equipment Corporation, Microsoft and Pacific Telesis. Adding insult to injury, the bankrupt Commission casually tossed a \$11,830 sole-source contract to one of the architectural firms that designed the New Main. Simon Martin-Vegue Winklestein will measure the card catalogue and *think* about where to put it.

The Commission is intent on burying the scholastically valuable card catalogue in the catacombs of Brooks Hall—alongside four shelf-miles of doomed books and periodicals sprouting book-worms. At the Oct. 1 Commission meeting, Library Page Cindy tearfully described Brooks Hall as “damp, dirty, full of feral cats, rodents and vermin.”

The Library Commissioners fidgeted and grumbled as dozens of citizens and Library staff described the managerial chaos in detail. The Pages requested Dowlin to begin balancing his budget by cutting his \$105,065 annual salary.

Commissioner Lonnie K. Chin—a professional educator—earned SFI's Non-Sequitur-of-the-Year Award for her statement: “The card catalogue is racist and divisive because it is in English and hundreds of thousands of San Franciscans do not have English as a first language.”

Logos of San Francisco-based corporations are plastered in English all over

the New Main. But there is no evidence that our local multinationals contributed more than a few thousand cash dollars to the \$34 million that Coulter's Library Foundation claims to be raising from private individuals to pay for non-construction costs.

Foundation members are characters from our society pages. They dance and drink after hours in the stacks—ooing and aahing over 86 copies of the latest Danielle Steele novel—purchased by Dowlin in a fit of reading last year.

In April Coulter made a speech to the Forum on Entrepreneurial Libraries—sponsored by Pacific Bell. “The business community,” said Coulter, “has been frankly a disappointment. They did not step forward at the level we wanted and I think looking at business for the big bucks is probably not a real likely way to go.”

On the other hand, big business—particularly Coulter's employer—is looking to the New Main to generate some big bucks for business. Coulter described the pre-1906 Library as “a symbol of graft and corruption back in those days, given the way it was poorly constructed.” Some things never change.

*In our next issue, SFI will take a look at the \$12 million “cookie-cutter” design of the New Main. Some say it is a knock-off of a Mid-Western library—complete with a little room for storing a snow-plow!*

\$477,634—Hayes writes, “We look forward to future relationships with members of your department as we, together, build the dream and realize the fortunes that are derived from concerted efforts.”

The half-million dollar contract calls for Hayes to promote City College classes by “Word of Mouth.” A May 1994 contract modification allots BDI 1,735 consulting hours for tasks such as: “Keep DPW abreast of Public Sentiment.”

SFI informally polled a group of men in the parking lot of the Save Mor Mart on Third Street. Not a single person had

heard of any job training programs run by BDI. They were eager to learn where such a program might be taking place. Staff at the Bay View newspaper could not recall ever hearing Hayes present DPW matters at a community meeting.

In Jan. 1993 BDI got a \$10,000 contract to: “Tape record community meetings and make notes of the questions asked.” A good portion of BDI's “work” is performed under direct orders from DPW. This means that BDI is not acting as independent contractor and that the majority of the BDI contracts are probably illegal under the tax codes.

BDI has trouble keeping its general liability insurance coverage—due to non-payment of premiums. Instead of BDI listing the City as a co-insured on BDI policies—the Airport and the City often carry BDI's weight on their policies.

On several occasions, BDI has billed for work performed before its service order was approved. A dozen service orders have William Lee's name rubber-stamped in the City Administrator approval box, without the required countersignature.

One serially-numbered Purchase Order Input form is cut, pasted and

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re-copied to give the appearance of official approval from the City's inoperative system of fiscal checks and balances. (Both copies were filed.) One reason for such dissembling is that BDI is duplicating work that HRC staff is paid to do. DPW is in egregious violation of Prop J, which prohibits the letting of contracts for work performed by City employees—not to mention treating consultants as de facto City employees!

In July 1996 BDI was awarded a \$50,000 DPW service order to provide "as needed construction management services" for Fire Station #17. BDI's two principal consultants were magically transformed from "Project Manager" and "Prevailing Wage Specialist" and "Affirmative Action Coordinator" and "Odor Control Specialist" to "Resident Engineer" and "Office Engineer."

In early 1996 a series of change orders modified a service order to "provide public participation and community liaison services for the Bayside Alternatives

Project." The original \$10,000 transmogrified into \$100,012 in a matter of months. The multiple change orders were deliberately routed away from possible oversight by the Purchaser—as architectural and engineering services.

SFI examined a thousand pages of DPW documents in writing this article. We finally put in an emergency call to the Odor Hotline when we ran across a 1995 application to the EPA by Murray and Redevelopment's puppet non-profit South Bayshore Community Development Corporation—incorporated by Calvin Hayes—for a \$119,500 Environmental Justice Through Pollution Prevention Grant.

Hayes and Murray proposed to "Develop a Community Owned [Organic] Compost Facility" in the radioactive Hunters Point Shipyard—an EPA toxic Superfund site. Buried inside the wordy application is a statement that "a for-profit company, Bayview Compost... will be owned and operated by ... Mr. Sam Murray."

On the Odor Hotline, Sam Murray's recorded voice said, "Leave a message."

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BIG STINK AT DPW  
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CRIMES IN THE STACKS  
CITY OWNED CORPSES MISSING