



**OFFICE OF THE CONTROLLER**  
CITY AND COUNTY OF SAN FRANCISCO

Ben Rosenfield  
Controller  
Todd Rydstrom  
Deputy Controller

MEMORANDUM

TO: Angela Calvillo, Clerk of the Board

FROM: Todd Rydstrom, Deputy Controller

CC: Supplier Management Team, Controller's Office

DATE: July 3, 2023

SUBJECT: City Supplier/Contractor Debarments & Suspensions, Semi-Annual Report, as of June 30, 2023

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**Background**

In Legislation, File No. 200896, titled *Debarment and Suspension of City Contractors*, Section 28.12 instructs that:

- The Controller shall maintain and publish on the City's Internet website a current list of Contractors subject to Orders of Debarment or Suspension and the expiration dates for the respective debarment terms.
- The Controller shall submit a semi-annual report to the Clerk of the Board of Supervisors that includes (a) the Contractors then subject to an Order of Debarment or Suspension and the expiration dates for the respective debarment terms; (b) the status of any pending debarment or suspension matters; and (c) any Order of Debarment or Suspension received by the Controller since the date of the last report.

This report serves as the semi-annual City Supplier/Contractor Debarments & Suspensions Report, as of June 30, 2023. The current list of Suppliers/Contractors subject to Orders of Debarment or Suspension is available on the City's website at:

<https://sf.gov/resource/2022/suspended-and-debarred-contractors>

## Debarments of Suppliers/Contractors (firms and individuals)

### A. Current Enforcement Actions with Key Date(s) (Charges Filed/Effective/Expiration)

- ALAN VARELA, an individual, WILLIAM GILMARTIN III, an individual, and PROVEN MANAGEMENT INC., a California Corporation, and affiliated companies, BAYLANDS SOIL PROCESSING, LLC, COMSA EMTE USA INC., EGBERT ENTERPRISES, LLC, and PROVEN COMSA JV, are prohibited from bidding on or being awarded contracts with the City and County of San Francisco.
- The Order of Debarment issued on June 26, 2023 will be in place for all named entities until March 1, 2026, five years after Varela, Gilmartin, and ProVen were originally suspended from doing business with the City. Under the law, entities can be debarred for a maximum of five years, with the period of suspension counting towards the term of debarment.

### B. Pending Enforcement Actions Under Review with Key Date(s) (Charges Filed/Planned Hearing).

1. AZUL WORKS, INC., a California corporation, a/k/a Azul Works, Inc. and
2. BALMORE HERNANDEZ, an individual.

For #1 & #2. A Stipulation to Order to Stay Debarment Proceedings was issued on August 25, 2020 pending the conclusion of the Federal Criminal Case, either by verdict or settlement. Until that time, AZUL WORKS, INC, and BALMORE HERNANDEZ are not authorized to bid on or enter into new contracts with the City.

## Suspensions of Suppliers/Contractors (firms and individuals)

### A. Current Enforcement Actions with Key Dates (Charges Filed/Effective/Expiration)

- FLORENCE KONG, an individual, SFR RECOVERY INC., a California corporation, and KWAN WO IRONWORKS INC., a California corporation
  - i. Issued and effective on 3/1/2021, no hearing or end date identified yet.
- NICK JAMES BOVIS, an individual, and SMTM TECHNOLOGY, LLC, a California limited liability company
  - i. Issued and effective on 3/1/2021, no hearing or end date identified yet.
- WING LOK "WALTER" WONG, an individual, W. WONG CONSTRUCTION CO., INC., a California corporation, GREEN SOURCE TRADING, LLC, a former California limited liability company, and ALTERNATE CHOICE, LLC., a California limited liability company
  - i. On September 24, 2021, the Board of Supervisors passed a resolution approving settlement of unlitigated claims against Wing Lok "Walter" Wong; W. Wong Construction; Alternate Choice, LLC; Jaidin Consulting Group, LLC; and Jaidin International Ventures, LLC, (collectively "the

Wong Parties”) for payments and credits totaling \$1,772,271.64; the claims involve allegations that the Wong Parties provided gifts to officials of the City and County of San Francisco (“the City”) in exchange for the unlawful award of City contracts to the Wong Parties, failure to report contacts with City officials, and failure to report contributions to political campaigns as required under City law; other material terms of the settlement are that the Wong Parties will not do business with the City, including as permit expeditors, for five years. The end date of the Suspension is 3/2/2026.

- B. City Departments must consider the above City-issued debarments and suspensions, including the current list on the City’s website, during their work, as well as State and Federal debarments and suspensions, when State and Federal funds are used to pay for City Contracts, where required by Federal and State laws and regulations.