

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**CITY ATTORNEY DENNIS J. HERRERA  
CITY AND COUNTY OF SAN FRANCISCO**

In the matter of:

NICK JAMES BOVIS, an individual,  
and SMTM TECHNOLOGY, LLC, a  
California limited liability company

**ORDER OF SUSPENSION BY THE CITY  
ATTORNEY UNDER SAN FRANCISCO  
ADMINISTRATIVE CODE CHAPTER 28**

Dennis J. Herrera, City Attorney of the City and County of San Francisco (“San Francisco” or “City”), issues this **Order of Suspension** to Nick James Bovis and SMTM Technology, LLC.

The Federal Bureau of Investigation (“FBI”) filed charges against Nick Bovis, on January 15, 2020, in a federal criminal complaint (“Criminal Complaint”) alleging a violation of 18 U.S.C. §§ 1342, 1346, Honest Services Wired Fraud, a felony. (**Exhibit 1.**) The Criminal Complaint was supported by the sworn affidavit of James A. Folger, Special Agent, FBI (“Federal Affidavit”). (*Id.*) The Federal Complaint and Federal Affidavit includes allegations against both Nick Bovis and now-former Director of San Francisco Department of Public Works, Mohammed Nuru. (*Id.*)

Nick Bovis is the Managing Director of SMTM Technology, LLC. (**Exhibit 2.**)

City Attorney Dennis J. Herrera is an authorized Charging Official who can issue this Order of Suspension on Nick Bovis and SMTM Technology, LLC. (San Francisco Administrative Code §§ 28.1, 28.2.)

A Suspension is the ineligibility of a contractor to participate in the procurement process for contracts or from entering into contracts or grants at any tier, directly or indirectly, with or for San Francisco. (San Francisco Administrative Code §§ 28.1, 28.11(c).)

Until this Order of Suspension is lifted, amended, or terminated, Nick Bovis and SMTM Technology, LLC are Suspended.

1 **Factual Background**

2 **Parties to be Suspended**

3 Nick Bovis is an individual who at all times relevant to this Order of Suspension was the  
4 owner, responsible managing corporate officer, or responsible managing employee of a  
5 California limited liability company that held contracts (directly or indirectly) with San  
6 Francisco.

7 Nick Bovis was the organizer of SMTM Technology, LLC, who filed Articles of  
8 Incorporation with the California Secretary of State. (Exhibit 2 at 1.) He was also the Managing  
9 Director in each of the LLC’s filings with the Secretary of State. (*Id.* at 2-3.) SMTM  
10 Technology, LLC was a San Francisco vendor who participated in the procurement process and  
11 obtained, direct or indirect, contracts with San Francisco. (Exhibit 1 ¶ 164.)

12 **The Criminal Complaint**

13 On January 15, 2020 the Criminal Complaint in the matter of *United States of America v.*  
14 *Mohammed Colin Nuru and Nick James Bovis*, United States District Court for the Northern  
15 District of California, Case No. 3:20-cr-70028 was filed. (Exhibit 1.) It was approved by an  
16 Assistant United States Attorney, charging the offense of 18 U.S.C. § 1343, 1346 – Honest  
17 Services Wire Fraud, a felony. (*Id.*)

18 “Beginning in or about January 2018, and continuing through April 4, 2018...defendants  
19 NURU and BOVIS, aided and abetted by each other, knowingly and with the intent to defraud,  
20 participated in, devised, and intended to devise a scheme and artifice to defraud the public of its  
21 right to the honest services of public officials through bribery and kickbacks in breach of the  
22 officials’ fiduciary duty, by means of materially false and fraudulent pretenses, representations,  
23 and promises, and by means of omission and concealment of material facts. (Federal Affidavit  
24 ¶ 8.)

25 Nick Bovis participated in a scheme to win a bid for a restaurant lease at San Francisco  
26 International Airport by bribing and/or paying a kickback to a member of the San Francisco  
27 Airport Commission. (*Id.* ¶ 13.) In connection with that Nick Bovis participated in a scheme to  
28 offer \$5,000 to an Airport commissioner. (*Id.* ¶ 15.) Also, in connection with the scheme,

1 Mohammed Nuru assisted Nick Bovis in successfully obtaining contracts with San Francisco for  
2 the purchase of portable bathroom trailers, and in an attempt to obtain contracts for homeless  
3 shelters. (*Id.* ¶¶ 24, 160-184.) SMTM Technology, LLC, Nick Bovis’s company received a  
4 contract to provide portable toilets as a result of this scheme. (*Id.* ¶ 164.)

### 5 **Legal Basis for Suspension**

6 San Francisco Administrative Code Chapter 28 sets forth the grounds and procedures for  
7 administrative Suspension. (**Exhibit 3.**)

8 Suspension is defined as the “Ineligibility of a Contractor that is the subject of an arrest,  
9 indictment, or other criminal civil charge by a governmental entity (federal, state, or local), as  
10 specified in greater detail in Section 28.3(b) from participating in the procurement process for  
11 contracts or from entering into contracts directly or indirectly with, applying for or receiving  
12 grants from, the City.” (San Francisco Administrative Code § 28.1.)

13 Contractor is defined as

14 Any individual person, business entity, or organization that submits a  
15 qualification statement, proposal, bid, or grant request, or that contracts  
16 directly or indirectly with the City for the purpose of providing any goods  
17 or services or construction work to or for, or applies for or receives a grant  
18 from, the City including without limitation any Contractor, subcontractor,  
19 consultant, subconsultant or supplier at any tier, or grantee. The term  
“Contractor” shall include any responsible managing corporate officer, or  
responsible managing employee, or other owner or officer of a Contractor  
who has personal involvement and/or responsibility in seeking or  
obtaining a contract with the City or in supervising and/or performing the  
work prescribed by the contract or grant.”

20 (*Id.*) Here, Nick Bovis is the Managing Director of SMTM Technology, LLC.

21 Nick Bovis’s criminal charge for 18 U.S.C. §§ 1443, 1446 qualifies as a basis for a  
22 suspension of SMTM Technology, LLC. and Nick Bovis.

23 Any Charging Official may issue an Order of Suspension to a Contractor  
24 on the basis that the Contractor has been arrested or indicted, or become  
25 the subject of a criminal, civil or administrative complaint issued by a  
26 government entity, where the arrest or indictment, criminal, civil, or  
27 administrative complaint alleges that the Contractor has violated a civil or  
28 criminal law or regulation against any government entity relevant to the  
Contractor's ability or capacity honestly to perform under or comply with  
the terms and conditions of a City contract or grant including, but not  
limited to, the grounds for Debarment set forth in Section 28.3(a).

1 (San Francisco Administrative Code § 28.3(b).) The charge is a criminal complaint by the  
2 Federal Government relevant to Nick Bovis’s and his company’s ability or capacity honestly to  
3 perform under a City contract, and if the charges are true, would provide grounds for Debarment.

4 The Administrative Code provides in pertinent part that a contractor shall be debarred  
5 upon a finding of:

6 any willful misconduct with respect to any City bid, request for  
7 qualifications, request for proposals, grant request, purchase order and/or  
8 contract or grant award. Such willful misconduct may include, but need  
9 not be limited to the following: (1) submission of false information in  
10 response to an advertisement or invitation for bids or quotes, a request for  
11 qualifications or a request for proposals; (2) failure to comply with the  
12 terms of a contract or with provisions of the Municipal Code; (3) a pattern  
13 and practice of disregarding or repudiating terms or conditions of City  
14 contracts, including without limitation repeated unexcused delays and  
15 poor performance; (4) failure to abide by any rules and/or regulations  
16 adopted pursuant to the San Francisco Municipal Code; (5) submission of  
17 false claims as defined in this Administrative Code, Chapter 6, Article V,  
18 or Chapter 21, Section 21.35, or other applicable federal, state, or  
19 municipal false claims laws; (6) a verdict, judgment, settlement,  
20 stipulation or plea agreement establishing the Contractor's violation of any  
21 civil or criminal law against any government entity relevant to the  
22 Contractor's ability or capacity honestly to perform under or comply with  
23 the terms and conditions of a City contract or grant; (7) collusion in  
24 obtaining award of any City contract or grant, or payment or approval  
25 thereunder; and/or (8) the offer or provision of any gift or money to a  
26 public official, if that public official is prohibited from accepting the gift  
27 or money by any law or regulation.

18 (San Francisco Administrative Code § 28.3 (a).)

19 This is a non-exclusive list which requires only that Nick Bovis and SMTM Technology,  
20 LLC fall under one of the prongs. But their unlawful actions fall under at least three prongs:

- 21 • subdivision (2) “failure to comply with the terms of a contract or with provisions  
22 of the Municipal Code,”
- 23 • subdivision (7) “collusion in obtaining award of any City contract or grant, or  
24 payment or approval thereunder,” and,
- 25 • subdivision (8) “the offer or provision of any gift or money to a public official, if  
26 that public official is prohibited from accepting the gift or money by any law or  
27 regulation.”

1 **Ground 1: Failure to Abide by San Francisco’s Municipal Code**

2 Nick Bovis’ gifts and attempted bribe would violate the San Francisco Municipal Code  
3 and its regulations. The Campaign & Governmental Conduct Code is part of the San Francisco  
4 Municipal Code. It contains a “Prohibition on Bribery. No person shall offer or make, and no  
5 officer or employee shall accept, any gift with the intent that the City officer or employee will be  
6 influenced thereby in the performance of any official act.” Campaign & Governmental Conduct  
7 Code § 3.216(a). “The phrase “intent to influence” means any communication made for the  
8 purpose of supporting, promoting, influencing, modifying, opposing, delaying or advancing a  
9 governmental decision.” Regulation 3.216(b)-2. The City contracts require that vendors comply  
10 with the laws of San Francisco. If the allegations in the Federal Affidavit are true, Nick Bovis  
11 gave gifts to Nuru worth thousands of dollars with the intent to win more work for SMTM  
12 Technology, LLC, and attempted to bribe an Airport Commissioner with the intent to obtain a  
13 lease for a restaurant of the Airport.

14 That would violate the San Francisco Municipal Codes, which would be a ground for  
15 Debarment. It is therefore a basis for Suspension.

16 **Ground 2: Unlawful Collusion in the Award of a City Contract**

17 Nick Bovis’ conduct also constitutes unlawful collusion to obtain the benefits of publicly  
18 funded contracts.

19 Collusion has been variously defined as (1) “a deceitful agreement or  
20 compact between two or more persons, for the one party to bring an action  
21 against the other for some evil purpose, as to defraud a third party of his  
22 right”; (2) “a secret arrangement between two or more persons, whose  
23 interests are apparently conflicting, to make use of the forms and  
24 proceedings of law in order to defraud a third person, or to obtain that  
25 which justice would not give them, by deceiving a court or its officers”;  
26 and (3) “a secret combination, conspiracy, or concert of action between  
27 two or more persons for fraudulent or deceitful purposes.

28 (*Andrade v. Jennings*, 54 Cal. App. 4th 307, 327 (1997).) If the allegations are true, Nick Bovis  
and Nuru engaged in an ongoing scheme to provide favors: for Nuru to provide favors to SMTM  
Technology, LLC, and for Nick Bovis to provide favors to Nuru and other city officials. As a  
public contractor, Nick Bovis had no legal basis to provide secret gifts for the personal benefit of  
Nuru, nor of offering a bribe to an Airport commissioner. If true, this collusion undermines

1 public trust in City contracting, is unfair to the taxpayers, and unfair to legitimate contractors  
2 competing for public contracts, and would be the ground for Debarment. It is therefore the basis  
3 for Suspension.

4 **Ground 3: The Provision of Gift or Money to a Public Official, Where That Public  
5 Official is Prohibiting from Accepting the Gifts or Money**

6 San Francisco law requires that “no officer or employee of the City and County shall  
7 solicit or accept any gift or loan from a person who the officer or employee knows or has reason  
8 to know is a restricted source.” Campaign & Governmental Conduct Code § 3.216(b). The  
9 definition of a “restricted source” includes “a person doing business with or seeking to do  
10 business with the department of the officer or employee.” Campaign & Governmental Conduct  
11 Code § 3.216(b)(1). “The phrase ‘doing business’ with the department of the officer or  
12 employee means entering into or performing pursuant to a contract with the department of the  
13 officer or employee.” Regulation 3.216(b)-1. At all relevant times, under the Campaign &  
14 Governmental Conduct Code and regulations adopted thereunder, Nick Bovis and SMTM  
15 Technology LLC were a restricted source for the Airport commissioner. It was unlawful for the  
16 Airport commissioner to accept any gift worth more than \$25 from them. But Nick Bovis is  
17 alleged to have participated in a scheme to offer \$5,000 to an Airport commissioner. Because it  
18 would be unlawful for the Airport commissioner to have accepted that gift, the provision of that  
19 gift would be a ground for Debarment. It is therefore a basis for Suspension.

20 **Order of Suspension**

21 For all of these reasons, Dennis J. Herrera, as the Charging Official, hereby issues this  
22 Order of Suspension on Nick Bovis and SMTM Technology LLC.

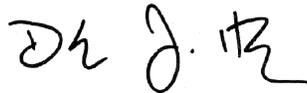
23 This Order of Suspension is self-executing; it is in effect from today’s date until the  
24 Charging Official lifts the Order of Suspension under Section 28.6(b), or a hearing officer  
25 terminates the Order of Suspension under Section 28.10(e).

26 Further, Section 28.7 in which the failure to request a hearing constitutes an admission of  
27 the facts in counts and allegations *not does apply* to this Order of Suspension. The failure to  
28

1 seek a hearing of an Order of Suspension does not at any time constitute an admission of the  
2 facts in an Order of Suspension. Instead, at any time during the term of Suspension, Nick Bovis  
3 or SMTM Technology LLC may together or separately submit a written request of the Charging  
4 Officer to lift the Order of Suspension. (San Francisco Administrative Code § 28.6(b).) Finally,  
5 at any time the Charging Official may move to debar Nick Bovis or SMTM Technology LLC,  
6 and if they are so debarred, the period of Suspension shall count towards the period of  
7 Debarment. (San Francisco Administrative Code § 28.11(b).)

8 Pursuant to this Order of Suspension Nick Bovis and SMTM Technology LLC are  
9 ineligible to participate in the procurement process for contracts or from entering into contracts  
10 or grants at any tier, directly or indirectly, with or for San Francisco. (San Francisco  
11 Administrative Code §§ 28.1, 28.11(c).)

12 Dated: March 1, 2021

13 

14 \_\_\_\_\_  
15 Dennis J. Herrera  
16 City Attorney  
17 City and County of San Francisco  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

# **EXHIBIT 1**

~~UNDER SEAL~~

~~RECEIVED~~ FILED

AO 91 (Rev. 11/11) Criminal Complaint

JAN 15 2020

UNITED STATES DISTRICT COURT

for the

Northern District of California

SUSAN Y. SOONG  
CLERK, U.S. DISTRICT COURT  
NORTH DISTRICT OF CALIFORNIA

United States of America )  
v. )  
MOHAMMED COLIN NURU and )  
NICK JAMES BOVIS )  
)  
)  
)  
)  
)  
)

Case No.

**MAG**  
**3 20 70028**

Defendant(s)

CRIMINAL COMPLAINT

I, the complainant in this case, state that the following is true to the best of my knowledge and belief.

On or about the date(s) of March 22, 2018 in the counties of San Francisco & San Mateo in the Northern District of California, the defendant(s) violated:

<i>Code Section</i>	<i>Offense Description</i>
18 U.S.C. §§ 1343, 1346	Honest Services Wire Fraud Honest Services Wire Fraud

This criminal complaint is based on these facts:

Please see the attached affidavit of FBI Special Agent James A Folger.

Continued on the attached sheet.

Approved as to form [Signature]  
AUSA Scott Joiner

[Signature]  
Complainant's signature  
James A. Folger, Special Agent, FBI  
Printed name and title

Sworn to before me and signed in my presence.

Date: 1-15-20

[Signature]  
Judge's signature  
Hon. Sallie Kim, U.S. Magistrate Judge  
Printed name and title

City and state: San Francisco, CA

1-172

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION

UNITED STATES OF AMERICA,  
Plaintiff,

v.

MOHAMMED COLIN NURU and  
NICK JAMES BOVIS  
Defendants.

) AFFIDAVIT OF FBI SPECIAL AGENT JAMES A.  
) FOLGER IN SUPPORT OF CRIMINAL  
) COMPLAINT

) ~~UNDER SEAL~~

**TABLE OF CONTENTS**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

I. INTRODUCTION AND AGENT QUALIFICATIONS.....1

II. COUNT 1: HONEST SERVICES WIRE FRAUD / AIDING & ABETTING.....3

III. FACTS ESTABLISHING PROBABLE CAUSE .....5

    A. Summary of the Airport Scheme .....5

    B. Summary of Additional Evidence of Corrupt Intent and Modus Operandi.....8

        1. Multimillion-Dollar Mixed-Use Development Scheme .....9

        2. Transbay Transit Center Scheme .....9

        3. Bathroom Trailer Scheme and Homeless Container Shelter Scheme.....10

        4. Vacation Home Scheme.....10

    C. Details of Airport Scheme and Additional Evidence of Corrupt Intent.....11

        1. San Francisco Airport Scheme.....11

            (i) SFO Contracting Process .....11

            (ii) BOVIS Prepares Another Bid With CHS-87857 and CHS-87856 For a Restaurant at SFO .....12

                (a) The January 24, 2018 Meetings at SFO and Broadway Grill.....12

                (b) BOVIS Arranges for BOVIS, NURU, AIRPORT COMMISSIONER 1, CHS-87856 and CHS-87857 to Meet. ....15

                (c) The March 19, 2018 Meeting at the Broadway Grill With BOVIS, CHS-87857, CHS-87856, UCE-7982, and NURU. ....18

                (d) NURU Tells BOVIS to Provide a \$5,000 Bribe for AIRPORT COMMISSIONER 1 .....23

                (e) BOVIS, NURU, and INDIVIDUAL 1 Meet at the Broadway Grill.....24

                (f) BOVIS Arranges a Meeting with AIRPORT COMMISSIONER 1 .....25

                (g) The April 4 Meeting at the Broadway Grill Involving BOVIS, UCE-7982, CHS-87856, CHS-87857, NURU, and AIRPORT COMMISSIONER 1.....26

                (h) BOVIS Meets with UCE-7982 on April 5, 2018.....32

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

(iii) BOVIS Distances Himself From UCE-7982 .....42

(iv) Renewed Contact: NURU Meets with the  
Confidential Sources in his Office .....47

2. Multimillion-Dollar Mixed-Use Development Scheme .....50

3. Transbay Transit Center .....56

4. Bathroom Trailer Scheme and Homeless Container Shelter Scheme .....60

5. Vacation Home Scheme .....70

IV. CONCLUSION .....75

V. REQUEST FOR SEALING .....75

**AFFIDAVIT IN SUPPORT OF CRIMINAL COMPLAINT**

I, James A. Folger, Special Agent with the Federal Bureau of Investigation, being duly sworn, hereby depose and state the following:

**I. INTRODUCTION AND AGENT QUALIFICATIONS**

1. I submit this affidavit in support of a criminal complaint against Mohammed Colin NURU and Nick James BOVIS. As set forth below, there is probable cause to believe NURU and BOVIS committed honest services wire fraud in violation of Title 18, United States Code, Sections 1343 and 1346, by participating in a scheme to bribe a San Francisco Airport Commissioner (AIRPORT COMMISSIONER 1) to vote to select a restaurant affiliated with BOVIS for an airport lease, and to have the same airport commissioner persuade two other commissioners, whom BOVIS said vote in a block with AIRPORT COMMISSIONER 1, to vote for it as well. Additionally, the intent of NURU and BOVIS is informed by several other ongoing schemes to deprive citizens of honest services by the two targets.

2. I am a Special Agent of the FBI and have been so employed since entering the FBI Academy in August 2012. I am sworn and empowered to investigate criminal activity involving violations of federal law. I am currently assigned to FBI's San Francisco Division Public Corruption Squad, which investigates abuse of public office in violation of criminal law, which includes fraud, bribery, extortion, conflicts of interest, and embezzlement. My investigative experience includes, but is not limited to: conducting wire communication interceptions; interviewing subjects, targets and witnesses; executing search and arrest warrants; handling and supervising confidential human sources; conducting surveillance; and analyzing phone records and financial records. Additionally, I received *juris doctor* and Master of Business Administration degrees from the University of San Francisco in 2012.

3. During my employment with the FBI, I have received formal classroom and field training at the FBI Academy in Quantico, Virginia and graduated from the New Agent Training Program. My training and experience includes, but is not limited to, public corruption, fraud against the government, drug trafficking, gangs, organized crime, and RICO investigations. I have also received additional formal and on-the-job training from the FBI, as well as from the United States Attorney's Office and

1 other federal agents who have done extensive work in the areas of financial crimes and public  
2 corruption. I have participated in several investigations involving public corruption, bribery, and fraud,  
3 and I have been the lead agent on several of those cases. I have worked on multiple wiretaps while  
4 investigating public corruption and gangs. I have received formal training in wiretaps at the FBI  
5 academy in Quantico, Virginia as well as on the job training while working on wiretaps in active  
6 investigations. I have also received training on phone records and cell tower analysis from members of  
7 the Cellular Analysis Survey Team (CAST) and have used this knowledge in numerous investigations.

8 4. To successfully conduct these investigations, I have utilized a variety of investigative  
9 techniques and resources including, but not limited to, physical and electronic surveillance, witness  
10 interviews, various types of infiltration to include confidential human sources, and cooperating sources.  
11 I have utilized pen register and trap and trace devices, mail covers, pole cameras, stationary video  
12 recording vehicles, undercover operations, and audio and audio/video recording devices.

13 5. I make this Affidavit based upon personal knowledge derived from my participation in  
14 this investigation and upon information I believe to be reliable from the following sources, among  
15 others:

- 16 a. my experience investigating honest services wire fraud and other illegal activity  
17 relating to public corruption;
- 18 b. oral and written reports about this investigation that I have received from  
19 members of the FBI;
- 20 c. physical surveillance conducted by the FBI, the results of which have been  
21 reported to me either directly or indirectly;
- 22 d. information obtained from undercover agents;
- 23 e. recorded conversations; and
- 24 f. confidential human sources.

25 6. Because this affidavit is being submitted for the purpose of establishing probable cause in  
26 support of the requested Complaint, it does not set forth each and every fact that I, or others, have  
27 learned during the course of the investigation. Rather, I have set forth only those facts that I believe are  
28 necessary to establish probable cause and to provide the Court with an overview of the facts that

1 establish BOVIS' and NURU's pattern of corrupt conduct and intent to defraud. Unless otherwise  
2 indicated, where actions, conversations, and statements of others are described below, they are related in  
3 substance and in part. In addition, unless otherwise noted, wherever in this Affidavit I assert that a  
4 statement was made, the information was provided by another FBI agent, law enforcement officer,  
5 recording, or witness who may have had either direct or hearsay knowledge of that statement and to  
6 whom I or others have spoken, or whose reports I have reviewed.

7         7.       The conversations I summarize below were largely derived from various meetings and  
8 intercepted communications. Collectively, these meetings, calls, and communications were documented  
9 in FBI reports and summaries. These reports and summaries describe recorded conversations involving  
10 subjects of the investigation, during which the subjects at times use code words and/or cryptic language  
11 to disguise conversations about their criminal schemes and related activities. The reports are  
12 summarized based on agents' interpretations of the conversations. Some of these reports and summaries  
13 contain interpretations of coded words, cryptic language, and vague identifiers. It may be that  
14 subsequent review of the recorded conversations and verbatim transcripts may show changes from the  
15 summaries initially prepared. Quotations from the recordings are based on informal transcriptions of  
16 portions of certain key recordings, which may not be exactly the same as formal transcriptions that are  
17 later prepared.

18 **II.       COUNT 1: HONEST SERVICES WIRE FRAUD / AIDING & ABETTING (18 U.S.C. §§**  
19 **1343, 1346, 2)**

20         8.       Beginning in or about January 2018, and continuing through on or about April 4, 2018, in  
21 the Northern District of California and elsewhere, the defendants NURU and BOVIS, aided and abetted  
22 by each other, knowingly and with the intent to defraud, participated in, devised, and intended to devise  
23 a scheme and artifice to defraud the public of its right to the honest services of public officials through  
24 bribery and kickbacks in breach of the officials' fiduciary duty, by means of materially false and  
25 fraudulent pretenses, representations, and promises, and by means of omission and concealment of  
26 material facts. On or about March 22, 2018, in the Northern District of California and elsewhere, for the  
27 purpose of executing the aforementioned scheme and artifice to defraud and attempting to do so, the  
28 defendants did knowingly transmit and cause to be transmitted in interstate and foreign commerce, by

1 means of a wire communication, certain writings, signs, signals, pictures, and sounds, specifically, a  
2 telephone conversation that was transmitted in interstate commerce between a confidential source and  
3 BOVIS, in violation of Title 18, United States Code, Sections 1343 and 1346.

4 9. Title 18, United States Code, Sections 1343 and 1346, prohibit honest services wire  
5 fraud. The elements of the offense are as follows:

- 6
- 7 a. The defendant knowingly devised or participated in a scheme to defraud the public of its  
8 right to the honest services of a public official through bribery or kickbacks in breach of  
9 the official's fiduciary duty;
  - 10 b. The defendant did so knowingly and with an intent to defraud, that is, the intent to  
11 deceive or cheat the public of honest services;
  - 12 c. The scheme or artifice to defraud involved a deception, misrepresentation, false  
13 statement, false pretense, or concealment that was material; and
  - 14 d. The defendant used, or caused to be used, an interstate or foreign wire communication to  
15 carry out or attempt to carry out an essential part of the scheme.

16 10. Title 18, United States Code, Section 2, provides that "[w]hoever commits an offense  
17 against the United States or aids, abets, counsels, commands, induces or procures its commission, is  
18 punishable as a principal."

19 11. Honest services wire fraud does not require the bribe or kickback be completed, or that  
20 official action was actually taken, because the criminal act is the creation of a "scheme" to defraud. *See*  
21 *Pasquantino v. United States*, 544 U.S. 349, 371 (2005) ("the wire fraud statute punishes the scheme,  
22 not its success") (citations, quotations omitted); *Schreiber Distrib. Co. v. Serv-Well Furniture Co.*, 806  
23 F.2d 1393, 1400 (9th Cir. 1986) (for mail and wire fraud, it is not necessary to show that the scheme was  
24 successful or that the intended victim suffered a loss or that the defendants secured a gain); *see also*  
25 *United States v. Kimbrew*, 944 F.3d 810, 815 (9th Cir. 2019) (liability for bribery of a public official, in  
26 violation of 18 U.S.C. § 201(b)(2)(A), "does not depend on an outcome; the offense is complete at the  
27 moment of agreement, and that agreement need not even be accompanied by the bribe recipient's  
28 genuine intentions to follow through."). In addition, "anyone who knowingly and intentionally  
participates in the execution of [a] fraudulent scheme comes within the prohibition of the mail and wire  
fraud statutes regardless of whether the defendant devised the scheme." *United States v. Holden*, 908  
F.3d 395, 400 (9th Cir. 2018) (citation omitted), *cert. denied*, 139 S. Ct. 1645, 203 L. Ed. 2d 918 (2019).

1 **III. FACTS ESTABLISHING PROBABLE CAUSE**

2 **A. Summary of the Airport Scheme**

3 12. Mohammed NURU is the Director of Public Works (DPW) for the City and County of  
4 San Francisco, and Chair of the Transbay Joint Powers Authority Board. Based on publicly available  
5 data, the total DPW budget exceeded \$500 million in both fiscal years 2018 and 2019.<sup>1</sup> As Director,  
6 NURU has great influence over contracts and construction projects granted by DPW. The investigation  
7 to date has revealed NURU also uses his position as the director of DPW to attempt to influence other  
8 city agencies and officials. Agents have intercepted multiple communications relating to what appear to  
9 be a number of gifts and benefits given to NURU in exchange for his influence as Director of DPW,  
10 including receiving cost-free or subsidized accommodations and travel to South America and China, and  
11 receiving packages of unspecified goods from various individuals engaged in business with DPW. I  
12 believe this evidence shows that NURU has leveraged his position to assist individuals who may benefit  
13 him financially, including individuals who provide him with free meals, gifts, and travel, and in return  
14 ask NURU to use his official position and influence to assist them with DPW approvals, contracts,  
15 and/or other City business

16 13. As described below, there is probable cause to believe NURU, along with San Francisco  
17 restaurateur Nick BOVIS, participated in a scheme to win a bid for a restaurant lease at San Francisco  
18 International Airport (SFO) by bribing and/or paying a kickback to a public official, namely a member  
19 of the San Francisco Airport Commission.

20 14. The San Francisco Airport Commission is a public agency consisting of members  
21 appointed by the Mayor of San Francisco. Among other duties, the Airport Commission is in charge of  
22 contracting with restaurants and other businesses to lease space in the airport. By law, the process is  
23 required to be a competitive bidding process, in which the highest or best responsible bidder is awarded  
24 the contract. S.F. Admin. Code for the Airport Commission, § 2A.173.

25 15. I believe the facts described below show a scheme by BOVIS and NURU to provide a  
26

27 <sup>1</sup> See <https://data.sfgov.org/City-Management-and-Ethics/Budget/xdgd-c79v>. In FY 2018, the  
28 DPW budget totaled approximately \$536 million. This was an increase of over \$100 million from FY 2017, when the budget totaled approximately \$422 million. In FY 2019 the total budget for DPW was approximately \$525 million.

1 bribe to AIRPORT COMMISSIONER 1. The purpose of the scheme was to have NURU persuade  
2 AIRPORT COMMISSIONER 1, who is one of the five members of the Airport Commission and whom  
3 NURU helped obtain a position on the Commission, to vote to select a restaurant affiliated with BOVIS  
4 for an airport lease, and to have AIRPORT COMMISSIONER 1 persuade two other commissioners,  
5 whom BOVIS said vote in a block with AIRPORT COMMISSIONER 1, to vote for it as well. As  
6 BOVIS explained to a confidential source during a recorded call, in order to win the bid, NURU had  
7 instructed BOVIS to provide \$5,000 to NURU for AIRPORT COMMISSIONER 1 as well as a free trip  
8 for AIRPORT COMMISSIONER 1 to the city where the confidential source's company (referred to  
9 below as "Company X") is based.<sup>2</sup> More specifically, during the recorded call on March 21, 2018,  
10 BOVIS said: "So he [NURU] told me, he goes, 'just give me, between me and you, I didn't want to say  
11 it front of the other people,' he said, 'if you give me like \$5,000 bucks cash for her and send her off to  
12 [the city where Company X is based] to meet you guys and I'll get it taken care of.' And I said 'OK.'"  
13 BOVIS then told the confidential source, "So, I'll take care of that and get her out there to you." I  
14 believe this conversation shows NURU directing BOVIS, in private, to provide a \$5,000 bribe and  
15 arrange for a free trip for AIRPORT COMMISSIONER 1 in exchange for help winning the airport  
16 lease. BOVIS agreed to the scheme when he said "OK." BOVIS and NURU then took concrete steps to  
17 implement the scheme by arranging a private dinner with AIRPORT COMMISSIONER 1 and bringing  
18 an envelope full of cash to the meeting.

19 16. On April 4, 2018, BOVIS met with an undercover employee [UCE] and two confidential  
20 sources at his Burlingame restaurant just prior to their dinner meeting with NURU and AIRPORT  
21 COMMISSIONER 1. After being asked about the \$5,000, BOVIS responded, "Mohammed is real  
22 private about that stuff so don't let him know I said anything... He said just give her an envelope... and  
23 that will be between me and ...you know, better no one knows. I'll take care of that and then I'll work  
24 out with Mohammed on my side, I'm going to do some things for him." BOVIS then showed the UCE  
25 that BOVIS had a significant amount of cash in an envelope.

26 17. As described below, NURU's personal efforts to implement the scheme and his  
27

28 <sup>2</sup> The company is referred to as Company X in this affidavit to protect the identity of confidential sources.

1 incriminating conversations with BOVIS (as relayed by BOVIS to confidential sources and the UCE)  
2 are corroborated by phone records that show NURU's repeated contact with BOVIS and AIRPORT  
3 COMMISSIONER 1 at the relevant times. His knowing involvement is also corroborated by his  
4 attendance at a March 19, 2018 dinner with BOVIS, the UCE, and the confidential sources, as well as  
5 his attendance at the April 4, 2018 dinner. During the March 19, 2018 dinner they discussed a plan to  
6 make donations to non-profit organizations of AIRPORT COMMISSIONER 1's choosing in exchange  
7 for her assistance. Specifically, the UCE asked BOVIS about a comment he made about "giving back to  
8 the community" or whether that was a conversation best handled with AIRPORT COMMISSIONER 1.  
9 BOVIS responded that he had a nonprofit but he would talk to AIRPORT COMMISSIONER 1. NURU  
10 added, "We'll let you know which groups she wants," indicating that he understood any such donations  
11 would be in exchange for AIRPORT COMMISSIONER 1's assistance. Before AIRPORT  
12 COMMISSIONER 1 arrived at the April 4 dinner, NURU was present when BOVIS, the UCE, and the  
13 confidential sources discussed providing AIRPORT COMMISSIONER 1 with a trip in order to secure  
14 her support. NURU's knowing participation is further evidenced by his statement to AIRPORT  
15 COMMISSIONER 1 later during the same meeting, "we're gonna make this happen for them." When  
16 one of the confidential sources discreetly spoke with NURU during the dinner about what they should  
17 do with the \$5,000 they had also brought for AIRPORT COMMISSIONER 1, NURU – rather than ask  
18 the source what he/she was talking about and without any indication that NURU or BOVIS later  
19 reported the conduct to law enforcement or other authorities – instead told the confidential source to  
20 give the money to BOVIS to put in a safe.

21 18. As a public official, AIRPORT COMMISSIONER 1 owes the public a fiduciary duty to  
22 provide honest services and to select the best or highest bidder after all bids are submitted in a  
23 competitive bidding process. As described in more detail below, there is probable cause to believe  
24 BOVIS and NURU planned to bribe AIRPORT COMMISSIONER 1 in exchange for an official act to  
25 award the lease to BOVIS and the confidential sources, thereby depriving the public of AIRPORT  
26 COMMISSIONER 1's honest services. BOVIS and NURU used wire communications – that is, phone  
27 calls, text messages, and emails – to arrange meetings and to discuss the scheme.

28 19. On April 5, 2018 (the day after BOVIS showed up to the meeting with NURU and

1 AIRPORT COMMISSIONER 1 with an envelope full of cash), BOVIS told the UCE that, after the  
2 confidential sources and the UCE left the dinner, he had a discussion with NURU and AIRPORT  
3 COMMISSIONER 1 and offered AIRPORT COMMISSIONER 1 the cash payment he had brought with  
4 him to dinner. BOVIS stated that AIRPORT COMMISSIONER 1 did not want the money. BOVIS also  
5 told the UCE (and later one of the confidential sources) that he no longer wanted to move forward with  
6 the \$5,000 payment and that he should not have suggested it. He continued to discuss with the UCE,  
7 however, the possibility that the scheme could instead proceed through a kickback payment.  
8 Specifically, instead of an upfront \$5,000 bribe, BOVIS could “take care of” things through BOVIS’  
9 licensing fee, which would allow BOVIS to receive a percentage of the money from the restaurant at the  
10 airport, after they were awarded the contract. BOVIS told the UCE that he had already told one of the  
11 confidential sources that he would make his licensing fee 4% instead of 3%, explaining “it’s not much  
12 but it’s enough to take care of all that... so... and I would have to take, do that myself.” The UCE  
13 asked, “Is that already arranged between you and, is that through, Mohammed?” BOVIS confirmed,  
14 “Yeah, yeah... that way everybody is separated, you know.” Such a payment would constitute a  
15 kickback, again depriving the public of AIRPORT COMMISSIONER 1’s honest services.

16 20. The scheme agreed upon by NURU and BOVIS, however, never came to fruition after  
17 BOVIS and others became suspicious the UCE was working on behalf of law enforcement. As BOVIS  
18 explained it to the UCE during a recorded conversation on April 5, 2018, “Well, in my brain, what if this  
19 is some sort of FBI sting or something?” Despite apparent concerns about the UCE, and the discussion  
20 of a bribe on April 4, 2018, NURU remained willing to meet with the same confidential sources and did  
21 so again in his office at City Hall on February 13, 2019. During that meeting he again offered assistance  
22 securing an airport concession as well as a lease at the Transbay Transit Center.

23 **B. Summary of Additional Evidence of Corrupt Intent and Modus Operandi**

24 21. The investigation to date has also identified additional evidence of the defendants’  
25 corrupt intent and modus operandi. This evidence includes the following additional schemes: (1)  
26 Multimillion-Dollar Mixed-Use Development Scheme; (2) Transbay Transit Center Scheme; (3)  
27  
28

1 Bathroom Trailer and Homeless Container Shelter Scheme; and (4) Vacation Home Scheme.<sup>3</sup> I  
 2 summarize this evidence below and provide additional detail in the sections that follow.

3 **1. Multimillion-Dollar Mixed-Use Development Scheme**

4 22. As part of this pattern of conduct, intercepted communications show that NURU has  
 5 attempted to use his official position to benefit a billionaire developer in China who was involved with  
 6 developing a large multimillion-dollar mixed use project in San Francisco, California. This individual  
 7 has been identified by the FBI and is referred to below as DEVELOPER 1. In exchange for travel and  
 8 lodging, high-end liquor, and other gifts and benefits, NURU admitted to working behind the scenes to  
 9 use his official position to help DEVELOPER 1 with developing a large, multimillion-dollar mixed-use  
 10 project in San Francisco. In NURU's own words, "Yeah this guy [DEVELOPER 1], you know he's, the  
 11 guy with the hotels, he's been hooking, uh he's the one hooking us up... We don't, yeah, we don't uh we  
 12 don't um we don't pay any hotel or anything. They take care of us. They give us good rooms and good  
 13 service... [DEVELOPER 1 has] a whole list of things that we need to get done... Oh yeah, but I mean,  
 14 he doesn't you know, he doesn't give money or anything. He lets us stay in his hotels and stuff. He  
 15 makes all the arrangements for us, which is good. And nice places." The corrupt nature of this  
 16 arrangement was corroborated by an encrypted message sent from NURU to DEVELOPER 1 on  
 17 November 4, 2018, shortly after NURU had received luxury accommodations from DEVELOPER 1  
 18 during NURU's stay in China. The message from NURU stated: "Thank you very much for all your  
 19 generosity while we were in China. We had a great vacation and my daughter had a wonderful time. I  
 20 will do my very best to see that your project gets completed. Look forward to seeing you in San  
 21 Francisco when you come."<sup>4</sup>

22 **2. Transbay Transit Center Scheme**

23  
 24  
 25 <sup>3</sup> This affidavit is limited to facts believed to be sufficient for the requested Complaint and does  
 26 not summarize all evidence known to investigators or every potential scheme uncovered by the  
 27 investigation to date.

28 <sup>4</sup> State and local ethics and disclosure laws require officials like NURU to (among other things)  
 report potential conflicts of interest and list the gifts they have received, including meals and travel,  
 every year on a document known as a Form 700. NURU never disclosed any of the travel,  
 accommodations, or other gifts he received during his 2018 trip to China. I believe this is evidence of  
 NURU's intent to defraud and his desire to hide the benefits he has received from DEVELOPER 1.

23. As noted above, NURU also serves as the Chair of the Board of Directors for the Transbay Joint Powers Authority (TJPA). The TJPA was created by a group of public agencies to oversee, among other things, contracting at the Transbay Transit Center. The TJPA has publicly stated that leases at the Transbay Transit Center would be evaluated based on a point system, determined by the tenant's proposed product, experience, financing, local ties, and other similar criteria. Similar to his efforts in furtherance of the Airport Scheme, NURU appears to have used his position as the chair of the TJPA to attempt to secure a desirable lease for BOVIS in the Transbay Transit Center in exchange for benefits provided by BOVIS. As described further below, NURU also pitched investment in the Transbay Transit Center to FBI confidential sources (in the Spring of 2018 during meetings about the airport scheme) and indicated he would also help them obtain a lease there. During those recorded conversations, NURU shared what he described as confidential information about ongoing lease negotiations. During another recorded meeting at NURU's office on February 13, 2019, NURU indicated his continued willingness to help FBI confidential sources in a similar manner.<sup>5</sup>

### 3. Bathroom Trailer Scheme and Homeless Container Shelter Scheme

24. As the director of the DPW, NURU also has influence or control over DPW's contracts to purchase portable bathroom trailers. The bathroom trailers are being placed, or are intended to be placed, in various San Francisco locations to alleviate unsanitary conditions caused by the City's ongoing homelessness problem. NURU also has control or influence over a project for the City to purchase tiny container-type portable housing for use by the homeless. NURU has assisted BOVIS with his bids for these projects by, among other things, providing BOVIS with inside information regarding both projects. For his part, BOVIS indicated to his business partners that the competitive bidding process for one of the projects was "just a formality."

### 4. Vacation Home Scheme

<sup>5</sup> During this same meeting NURU also said he was again willing to help the confidential sources with a bid for an airport concession, which indicates he was not discouraged by (1) his previous discussion of a bribe for an airport commissioner with one of the same confidential sources in April 2018 or (2) the fact that the Airport Scheme never came to fruition.

1           25.     NURU owns a vacation home in Northern California near the Mendocino National Forest  
 2 on Lodoga Stonyford Road in Stonyford.<sup>6</sup> The home has been extensively remodeled by contractors  
 3 largely from San Francisco. It is approximately a three and a half hour drive from San Francisco to  
 4 Stonyford. Currently in San Francisco and the Bay Area, construction and remodels are very common.  
 5 Local contractors typically have more work than they can handle in the immediate Bay Area. In this  
 6 economic climate and given the considerable extra expense to a customer, it is remarkable that NURU  
 7 has contractors from San Francisco driving three and a half hours one way to work on his vacation  
 8 home. Notably, some of these contractors currently have business with the City and County of San  
 9 Francisco. One contractor who is sending workers to work on the vacation home, referred to here as  
 10 CONTRACTOR 1, is the CEO and Vice President of a company that has received numerous contracts  
 11 with the City and County of San Francisco, including a contract with DPW worth in excess of \$2 million  
 12 in 2018. As described below, CONTRACTOR 1 appears to have received behind-the-scenes support  
 13 from NURU to resolve issues with a large-scale project to replace sidewalks on Van Ness Avenue in  
 14 San Francisco. Based on my training and experience, and on intercepted communications, I believe  
 15 these contractors are working on NURU's vacation home for free or at a subsidized rate so they can  
 16 continue to obtain contracts with the City and DPW, as well as receive NURU's support in resolving any  
 17 issues that may arise with existing and future contracts.

18           **C.     Details of Airport Scheme and Additional Evidence of Corrupt Intent**

19           **1.     San Francisco Airport Scheme**

20           **(i)     SFO Contracting Process**

21           26.     The SFO Airport contracting process is a competitive selection process that consists of  
 22 multiple steps. During the planning stage, airport staff determine the basic business terms, including  
 23 type of business, location, length of lease, minimum bid, rental rate, required and optional merchandise  
 24 or services, operational requirements, and construction/improvement requirements.

25           27.     A Request for Proposal (RFP) is then issued that describes the business opportunity and  
 26

27           <sup>6</sup> Although the home is technically located in Stonyford, intercepted communications show that  
 28 NURU and other subjects often refer to the vacation home as being in "Ladoga" or "Lodoga" (Lodoga,  
 CA is next to Stonyford, CA). For purposes of this affidavit, I use both Stonyford and Lodoga to refer  
 to NURU's vacation home.

1 establishes the qualification requirements for prospective proposers or bidders with directions on how to  
2 submit a proposal or bid. The document also includes the selection criteria that the airport will use in  
3 evaluating the proposal. Following the RFP, an Informational Conference is then made available to the  
4 public to explain selection process and agreement specifications.

5 28. The RFP bids are then submitted by mail or in person. The proposals are then evaluated  
6 and ranked by a panel using the criteria previously outlined in the RFP. The highest bidder/top-ranking  
7 proposer then meets with the Human Rights Commission (HRC) representative and enters into a non-  
8 discrimination-employment agreement. The selection process then enters into the final stages.

9 29. The San Francisco Airport Commission, which is the Airport's governing body, approves  
10 the award of the agreement. The Airport Commission is a public agency established by a San Francisco  
11 City Charter in 1970. The Commission consists of five members appointed by the Mayor of San  
12 Francisco to four-year terms. AIRPORT COMMISSIONER 1 is a current member of the Airport  
13 Commission. If necessary, the agreement is then approved by the Board of Supervisors and ratified by  
14 the Mayor. The successful bidder or proposer then becomes an airport tenant.

15 30. The SFO RFP process is required by law to be a competitive process. The San Francisco  
16 Administrative Code sets forth the powers and duties of the San Francisco Airport Commission. Per  
17 Section 2A.173, the San Francisco Airport Commission "shall also have sole power, subject to a  
18 competitive process and award to the highest or best responsible bidder or proposer to lease out any  
19 concession wherein the concessionaire is to be given an exclusive right to occupy space on or in airport  
20 lands or buildings."

21 (ii) **BOVIS Prepares Another Bid With CHS-87857 and CHS-87856 For a**  
22 **Restaurant at SFO**

23 (a) **The January 24, 2018 Meetings at SFO and Broadway Grill**

24 31. On January 24, 2018, CHS-87857 and CHS-87856 attended an outreach meeting at SFO.  
25 At this time, both CHS-87857 and 87856 were cooperating with the FBI. As part of this cooperation,  
26 they made recordings of telephone conversations and in-person meetings with BOVIS and other  
27  
28

1 subjects.<sup>7</sup>

2 32. The January 24, 2018 SFO outreach meeting provided information regarding a new SFO  
3 concession RFP. The RFP was for Terminal 1 food and beverage concession leases and included nine  
4 separate leases. The RFP and the Informational Conference were intended to “inform interested parties  
5 about the competitive selection process for this Concession Opportunity” at SFO. The criteria were  
6 based on the Proposer’s concept, design intention, amount and source of capital investment funds, and  
7 customer service and quality control. One of the leases, Lease #5, was for a chicken quick-serve  
8 restaurant. As set forth in the RFP, the submittal deadline for proposals was May 2, 2018.

9 33. The Terminal 1 Retail Concession Leases RFP specifically prohibited any attempt to  
10 communicate with or solicit any City and County of San Francisco elected official, member of the  
11 Airport Commission, and/or any other City or Airport Commission personnel, except as instructed by  
12 the RFP, with the intent to influence the outcome of the selection process. Per the Terminal 1 Food and  
13 Beverage Concession Leases, Request for Proposals, Addendum No. 2 dated January 29, 2018:

14 Communication Prior to Lease Award: From the date this RFP is issued  
15 until the date the competitive process of this RFP is completed either by  
16 cancelation of the RFP or by final action of the Airport Commission and  
17 the Board of Supervisors, Proposers and potential Proposers, and/or their  
18 representatives or interested parties, shall communicate with the Airport  
19 representatives or interested parties, shall communicate with the Airport  
20 only as instructed in Part II.2 of this RFP.

18 Any attempt to communicate with or solicit any City and County of San  
19 Francisco elected official, member of the Airport Commission, and/or any  
20 other City or Airport Commission personnel, except as instructed in this  
21 RFP, with the intent to influence the outcome of the selection process or  
22 award of the Lease is prohibited. Failure to comply with the

21 <sup>7</sup> CHS-87856 cooperates with the government in exchange for consideration in a pending federal  
22 investigation of CHS-87856 and Company X. I am unaware of any indication that CHS-87856 has been  
23 untruthful or unreliable in the past. CHS-87856 was previously arrested and charged with Conspiracy to  
24 Transport and Sell Stolen Motor Vehicles, Receipt of a Stolen Motor Vehicle, and Trafficking in a  
25 Motor Vehicle with Altered Identification Number. CHS-87856 was found guilty.

24 CHS-87857 cooperates with the government in exchange for consideration in a pending federal  
25 investigation of CHS-87857 and Company X. CHS-87857 has no known criminal history according to  
26 federal and local criminal checks. Although I believe that CHS-87857 has generally been truthful and  
27 reliable, another witness has provided information that suggests CHS-87857 did not disclose an incident  
28 involving a prior bribe to a public official before CHS-87857 began cooperating with the FBI.  
Specifically, agents interviewed a witness in June 2018 regarding a separate public corruption case, and  
that witness stated that CHS-87857 paid for dinners, drinks, hotel rooms, and clothing/sport merchandise  
for public officials. In return, these public officials shared information with CHS-87857 about a Request  
for Proposal (RFP) before the RFP was publicly announced and while the public official was writing the  
RFP. CHS-87857 was later awarded the contract. This happened before CHS-87857 was cooperating  
with the FBI. CHS-87857 did not disclose this to the FBI.

1 communications protocol of this RFP may, at the sole discretion of the  
2 Airport, result in the disqualification of the Proposer or potential Proposer  
3 from the competitive process. This protocol does not apply to  
4 communications with the City regarding business not related to this RFP.

5 34. On January 24, 2018, after the SFO outreach meeting, CHS-87857 and CHS-87856 met  
6 BOVIS at the Broadway Grill, BOVIS' restaurant in Burlingame, California. The meeting was  
7 recorded. At the restaurant, BOVIS, CHS-87857 and CHS-87856 discussed the Terminal 1 RFP and, in  
8 particular, Lease #5. They also discussed submitting a proposal to obtain the Lease #5 concession  
9 contract for a branch of the Spinnerie, a restaurant located in San Francisco that BOVIS owns. BOVIS  
10 told CHS-87857 and CHS-87856 that he would ask his resources in San Francisco city government to  
11 determine how to guarantee the concessions opportunity at SFO.

12 35. One of the "resources in San Francisco city government" that BOVIS identified was  
13 Mohammed NURU, the Director of DPW. Regarding NURU, BOVIS stated, "this guy here, he's head  
14 of DPW, he's come through." After identifying another high-level city official, he continued, "...they're  
15 all, they're all, on the, so it's all good." When asked for clarification, BOVIS further explained, "they  
16 all work, like, side deals." BOVIS added, "so that's the ones that you need."

17 36. Based upon my training and experience in historic and ongoing investigation of public  
18 corruption in the City and County of San Francisco, I believe that the term "side deals" refers to paying  
19 bribes, kickbacks, and other favors in exchange for official actions from city officials.

20 37. BOVIS told CHS-87857 and CHS-87856 that NURU was "my best guy that come  
21 through for me. He's never failed me. Like when he said he'd gonna do something he did it." With  
22 respect to the SFO concession contracts, BOVIS said of NURU, "I'm gonna ask him about the airport  
23 and I'll get exact details." BOVIS also said that NURU "knows how to cover his back on all this stuff  
24 so it's not a conflict or nothing" and offered to set up a meeting with everyone at the Broadway Grill the  
25 next time CHS-87857 and CHS-87856 were in town. Based on my training and experience, I believe  
26 when BOVIS said NURU "knows how to cover his back," he meant NURU has possibly concealed  
27 illegal activity in the past.

28 38. Discussing their previous failed SFO restaurant bid, BOVIS told CHS-87857 and CHS-  
87856 that he thought having the late mayor involved would be enough to get a public official to award

1 them the bid, but he did not realize how political the process was. BOVIS said “I thought I did  
 2 everything right but I don’t know what happened.” He continued, “I thought the mayor was the best I  
 3 could do but obviously it wasn’t. See, the problem, in San Francisco too, the politics are just crooked,  
 4 you know what I mean? And they can go sideways. They even undermine the people in charge.”<sup>8</sup>

5  
 6 **(b) BOVIS Arranges for BOVIS, NURU, AIRPORT  
 COMMISSIONER 1, CHS-87856 and CHS-87857 to Meet.**

7  
 8 39. On February 8, 2018, at approximately 9:35 a.m., CHS-87857 made another recorded call  
 9 to BOVIS. BOVIS said the previous night he met with AIRPORT COMMISSIONER 1, and she said  
 10 she wanted to go with him personally and thinks she “is going to talk about what she would take to do  
 11 it.” I believe such a meeting was a violation of the RFP rules described above, which bar “[a]ny attempt  
 12 to communicate with or solicit any ... member of the Airport Commission ... with the intent to  
 13 influence the outcome of the selection process or award of the Lease.” In addition, based on my training  
 14 and experience, I believe the phrase “what she would take to do it” may refer to the transfer of  
 15 something of value as a bribe in exchange for her assistance with the selection of their restaurant for the  
 16 airport lease.

17 40. In that same call, BOVIS stated he met with a “famous lawyer,” who “handles all the  
 18 stuff.” BOVIS said NURU, his friend at the head of DPW, arranged his meeting with AIRPORT  
 19 COMMISSIONER 1 so he will meet with her privately and NURU said he would “take care of her and  
 20 she’ll make it happen.” BOVIS said he would ask AIRPORT COMMISSIONER 1 if they needed to get  
 21 the lawyer involved since he knows the rest of the commissioners. BOVIS said he told AIRPORT  
 22 COMMISSIONER 1 they want Lease #5 and after that, they may want to meet with the lawyer. BOVIS  
 23 and CHS-87857 coordinated travel plans for late February. BOVIS said he was going to call AIRPORT  
 24 COMMISSIONER 1 to make the appointment and CHS-87857 said he would fly to the Bay Area for the  
 25 meeting. BOVIS encouraged CHS-87857 to research AIRPORT COMMISSIONER 1 and reiterated  
 26 that his friend, the head of DPW, apparently meaning NURU, was very close with her. BOVIS told

27  
 28 <sup>8</sup> BOVIS also discussed paying a former elected official to lobby for the airport lease, but expressed concern that it might be too expensive and/or might not be successful. According to BOVIS, NURU would know what to do to ensure they obtained the lease.

1 CHS-87857 that last night AIRPORT COMMISSIONER 1 told BOVIS to “call me right away.”  
2 BOVIS told CHS-87857 he would call AIRPORT COMMISSIONER 1 and see what she says about the  
3 lawyer.

4 41. Telephone records confirm the February 8, 2018, call between CHS-87857 and BOVIS.  
5 In addition, telephone records show BOVIS spoke to NURU on February 6, 2018 and February 7, 2018.  
6 Based on the February 8, 2018 conversation between BOVIS and CHS-87857, and my training and  
7 experience, I believe the purpose of these calls was to schedule the meeting with AIRPORT  
8 COMMISSIONER 1 and to discuss assistance she might provide regarding leases at the airport. BOVIS  
9 also spoke to NURU during a telephone call on February 13, 2018. I believe NURU was the conduit  
10 between BOVIS and AIRPORT COMMISSIONER 1 and this call was to request NURU’s help to  
11 facilitate a meeting with AIRPORT COMMISSIONER 1, CHS-87856, and CHS-87857.

12 42. On February 22, 2018, at approximately 11:48 a.m., CHS-87857 made a recorded call to  
13 BOVIS. BOVIS said he was likely meeting with her [believed to be AIRPORT COMMISSIONER 1]  
14 on Tuesday. BOVIS and CHS-87857 spoke about a chicken restaurant’s suitability for airports. BOVIS  
15 said he was going to set up this upcoming appointment with her and then a meeting after. BOVIS said  
16 he would “find out what it takes to do it” and ask her “straightforward” if he needs to hire the attorney  
17 “to guarantee it.” BOVIS said he was going to ask her direct questions and “get more of a guarantee.”  
18 BOVIS told CHS-87857 that “she is the shot caller down there.” BOVIS stated “his friend” knows all  
19 the airport commission members, so they “have maybe four of the seven votes for sure. I just need to  
20 work on the other three and uh, I’ll see how many anybody else I can get to that knows the other three.”<sup>9</sup>  
21 BOVIS explained he does not want to do this one like last time when he thought it was done and it was  
22 not. CHS-87857 told BOVIS to look into the lawyer and BOVIS said they might need to hire the lawyer  
23 “just to cover everything.” BOVIS said he would call CHS-87857 after the meeting with AIRPORT  
24 COMMISSIONER 1.

25 43. On February 28, 2018, at approximately 10:19 a.m., CHS-87857 made a recorded call to  
26 BOVIS. BOVIS said he had a meeting that night and asked if CHS-87857 had any specific questions for  
27

28 <sup>9</sup> Based on the SFO Airport Commission website, the Airport Commission consists of five members appointed by the Mayor.

1 AIRPORT COMMISSIONER 1. CHS-87857 told BOVIS to tell her they wanted Lease #5, the chicken  
2 location, and that every time he has tried he has lost, so he wanted to see how she can help. BOVIS  
3 added, "What does it take to get it done?" and CHS-87857 continued, "What does she want for it?"  
4 CHS-87857 and BOVIS discussed scheduling a meeting for CHS-87857 to meet AIRPORT  
5 COMMISSIONER 1 in mid-March. BOVIS reminded CHS-87857 that his friend, NURU, knew all the  
6 people on the board. BOVIS said he would "ask [AIRPORT COMMISSIONER 1] about to ensure that I  
7 get this done right if I need to hire [the lawyer], or if I need to deal with her, so I'm going to ask."

8 44. On March 1, 2018, at approximately 12:40 p.m., CHS-87857 made a recorded call to  
9 BOVIS. BOVIS said he took AIRPORT COMMISSIONER 1 to dinner and the meeting went well. I  
10 believe such a meeting was again a violation of the RFP rules barring communication with members of  
11 the Airport Commission seeking to influence the outcome of the selection process. BOVIS said he  
12 explained to AIRPORT COMMISSIONER 1 that they lost the last two bids at the airport. According to  
13 BOVIS, AIRPORT COMMISSIONER 1 told BOVIS the Airport Commission normally works in  
14 unison, with two commissioners and AIRPORT COMMISSIONER 1, and two other people for a total of  
15 five of them, all trying to vote together. BOVIS said AIRPORT COMMISSIONER 1 was going to  
16 research whether there was any opposition, but that AIRPORT COMMISSIONER 1 was in position to  
17 find local people rather than a big company. AIRPORT COMMISSIONER 1 said the person who put  
18 them in touch has never asked for a favor and she would gladly do it for them. Based on previous  
19 conversations between BOVIS and CHS-87857, I believe the "person" was a reference to NURU.

20 45. According to BOVIS, AIRPORT COMMISSIONER 1 said to ask her any questions but  
21 she was confident she could help them secure the lease after she got all the information. BOVIS told  
22 CHS-87857 that AIRPORT COMMISSIONER 1 said, "she'll make sure we get in." According to  
23 BOVIS, AIRPORT COMMISSIONER 1 also said the lawyer was not necessary. BOVIS stated, "This  
24 just requires me to take care of, just like I was going to take care of the mayor before, I'll just, take care,  
25 I'll do it on my side with the, the head of DPW, the one who introduced us ... so I'll take care of that."  
26 BOVIS said he would schedule a meeting with AIRPORT COMMISSIONER 1 at the Broadway Grill  
27 the week of March 19.

28 46. Based on my training and experience, I believe BOVIS' reference to taking care of things

1 on his side with the head of DPW was a reference to BOVIS paying for NURU's assistance, or  
2 providing other items of value, in exchange for NURU's help in securing the lease. I believe BOVIS  
3 and NURU were therefore working together on a scheme to defraud the public by depriving it of  
4 AIRPORT COMMISSIONER 1 honest services.

5 47. BOVIS and CHS-87857 then had a series of recorded calls about scheduling a meeting.  
6 On March 1, 2018, at approximately 12:52 p.m., CHS-87857 called BOVIS. BOVIS and CHS-87857  
7 discussed scheduling a meeting the week of March 19 at the Broadway Grill. On March 9, 2018, at  
8 approximately 9:20 a.m., CHS-87857 called BOVIS. CHS-87857 and BOVIS discussed the status of the  
9 upcoming meeting. BOVIS told CHS-87857 he "talked to Mohammed again and she seems thinks she  
10 can do it, I just want to have you meet her, talk to her." BOVIS said he was trying to set up the meeting  
11 for the 19th, and would confirm later. BOVIS said he had "already told her about the meeting." On  
12 March 13, 2018, at approximately 6:39 p.m., CHS-87857 called BOVIS. BOVIS said he was trying to  
13 schedule the meeting for March 19 and would contact CHS-87857 when it was confirmed. On March  
14 14, 2018, at approximately 1:36 p.m., CHS-87857 called BOVIS. BOVIS confirmed the meeting was  
15 scheduled for March 19 at 6:30 p.m. at Broadway Grill with AIRPORT COMMISSIONER 1 and  
16 NURU. CHS-87857 asked to meet 30 minutes to an hour beforehand. BOVIS agreed. BOVIS further  
17 said that he thought CHS-87857 should meet AIRPORT COMMISSIONER 1 because he's going to be  
18 doing other stuff out there. BOVIS told CHS-87857, "Break through the wall, the barrier. Get you into  
19 the airport and after it's done maybe you could get four or five of them in there." Telephone records  
20 confirm each of the previously described calls between CHS-87857 and BOVIS on BOVIS' cellular  
21 telephone. Based on my training and experience, I believe BOVIS arranged the March 19 meeting with  
22 NURU and AIRPORT COMMISSIONER 1 in order to further the scheme to defraud the public of  
23 AIRPORT COMMISSIONER 1's honest services.

24 (c) **The March 19, 2018 Meeting at the Broadway Grill With**  
25 **BOVIS, CHS-87857, CHS-87856, UCE-7982, and NURU.**

26 48. On March 19, 2018, at approximately 11:17 a.m., CHS-87857 made a recorded call to  
27 BOVIS. BOVIS said he left a message with AIRPORT COMMISSIONER 1 to confirm the meeting.  
28 CHS-87857 confirmed the meeting time and said CHS-87856 and a friend who represents a lender

1 would be there. Unbeknownst to BOVIS, and as described in further detail below, the “friend who  
2 represents a lender” would in fact be an FBI undercover employee, UCE-7982.

3 49. Telephone records confirm the aforementioned call between CHS-87857 and BOVIS on  
4 BOVIS’ cellular telephone. Telephone records further show BOVIS called AIRPORT  
5 COMMISSIONER 1 on March 19, 2018, at approximately 11:16 a.m., just prior to the call with CHS-  
6 87857.

7 50. On March 19, 2018, UCE-7982, CHS-87856, and CHS-87857 met with BOVIS at the  
8 Broadway Grill. That meeting was recorded. After being seated at a table, BOVIS explained that  
9 AIRPORT COMMISSIONER 1 was not in good health and would not be joining them that evening.  
10 BOVIS stated that NURU is the head of DPW and is the one who set up BOVIS to meet AIRPORT  
11 COMMISSIONER 1. According to BOVIS, AIRPORT COMMISSIONER 1 had told him “Mohammed  
12 never asked me a favor with the airport so I’m going to give it to him.” BOVIS added that NURU was  
13 friends with other members of the commission, mentioning two commissioners in particular, so they  
14 could talk to NURU about everything. According to BOVIS, NURU coordinated it all and “she,”  
15 believed to be referring to AIRPORT COMMISSIONER 1, was the one who appointed the CEO of the  
16 airport. BOVIS explained to UCE-7982 that they did not get the previous two bids because the  
17 selections are made at a mid-management level and not high up, such as at the mayor level, which was  
18 why last time BOVIS’ connection with the late mayor did not work.

19 51. BOVIS instructed everyone they could be straightforward with NURU and ask whatever  
20 they wanted to ask him. BOVIS explained that NURU told him AIRPORT COMMISSIONER 1 and  
21 AIRPORT COMMISSIONER 2 work in tandem and always vote together. Specifically, BOVIS said  
22 “they have a little system,” and “they don’t vote against each other.” BOVIS explained that there are  
23 five commissioners and AIRPORT COMMISSIONER 1 and two other commissioners always vote  
24 together so they have the majority. He later continued, “and the other two they play with.”

25 52. BOVIS said NURU knows AIRPORT COMMISSIONER 1 because NURU helped  
26 AIRPORT COMMISSIONER 1 get her job at the Airport Commission. According to BOVIS, NURU  
27 has been around for over 20 years and has worked in every city department. BOVIS explained that  
28 NURU is currently the Director of the Department of Public Works, which he described as “a powerful

1 spot.” BOVIS stated that AIRPORT COMMISSIONER 1 said the chicken spot was pretty easy because  
2 AIRPORT COMMISSIONER 1 had looked into the competition and did not see anything yet. BOVIS  
3 then stated that they needed to get ahead of the vote because the vote would be decided ahead of time.

4 53. BOVIS continued by saying NURU was reliable and they had worked on a couple  
5 projects together. CHS-87857 asked BOVIS if everyone could talk “straight out” with NURU and  
6 BOVIS confirmed they could and said, “I’m good friends with him.” Based on my training and  
7 experience, BOVIS was confirming they could speak plainly with NURU about how much they would  
8 pay for the favor of assistance with winning the bid, because of BOVIS’s level of trust with NURU.  
9 CHS-87857 went on to explain they did not want to spend 30-40 thousand dollars on a project and,  
10 BOVIS finished the statement by saying, “not get it.”

11 54. CHS-87857 asked BOVIS if NURU would want something. BOVIS replied that BOVIS  
12 would do something for NURU, and that NURU was giving BOVIS more deals. BOVIS stated, “I’ll  
13 take care of him.” CHS-87857 asked about other deals for their group; BOVIS responded that they could  
14 talk to NURU about that and BOVIS could be the middleman. BOVIS said they have to be careful but  
15 once NURU got to know them, it wouldn’t be a problem. BOVIS added, “He just, uh, can’t ask you for  
16 anything. That’s the rules. Like he can’t ask you, ‘I need this for free.’ You need to make the offer.”  
17 Based on my training and experience, I believe when BOVIS referred to making an “offer,” he meant  
18 providing NURU something of value for his assistance with securing the lease at the airport or other  
19 public sector business opportunities.

20 55. At that point, NURU joined the group and they moved upstairs to a more private table.  
21 NURU explained that AIRPORT COMMISSIONER 1 could not attend dinner that night because of  
22 health issues. BOVIS introduced NURU to CHS-87857, CHS-87856, and UCE-7982, and provided  
23 NURU with some background about all of them. NURU then started discussing the Transbay Transit  
24 Center, its size, anticipated concession opportunities there, and explained that he, NURU, was in charge  
25 of the project. I am aware that NURU is the Chair of the Transbay Joint Powers Authority Board.

26 56. NURU explained that AIRPORT COMMISSIONER 1 was a commissioner at the airport  
27 and she was disappointed she could not attend the meeting that evening. (Telephone records confirm  
28 NURU and AIRPORT COMMISSIONER 1 connected earlier that day by telephone at approximately

1 3:37 p.m.) BOVIS explained to the group that they attempted the first location, Lefty O'Doul's, and he  
2 did not ask NURU or anyone and he thought it was a "slam dunk." BOVIS later realized the winner had  
3 secured a licensing agreement with COMPANY Y so they could not beat them. NURU added, "those  
4 kinds of places are pretty competitive, the politics, but she said she had done some legwork for you.  
5 She'll do it." NURU explained that AIRPORT COMMISSIONER 1 had been at the airport for a long  
6 time and she said she would help. NURU continued, "I didn't know you had this problem until  
7 recently." Based on my training and experience, I believe NURU's reference to "this problem" was the  
8 inability to have someone help them secure a lease at SFO.

9 57. BOVIS explained that after they lost the first time, the late mayor said he would help.  
10 CHS-87856 explained that when they lost the second attempt, they lost a significant amount of time and  
11 money. NURU said he understood and BOVIS added, "Yeah, we didn't get through so this time I told  
12 them, this time I would try to do it right. That's why I talked to you." NURU replied, "She said she's  
13 done some legwork."

14 58. NURU continued to tell the group about the Transbay Transit Center and said that at the  
15 last board meeting "they" confidentially told him whom they were negotiating with to go into the space.  
16 NURU identified the largest space as being for a specific entity, which he named, but said the  
17 information was confidential. Based on the context of this conversation, I believe when NURU said  
18 "they," he was referring to members of the Transbay Joint Powers Authority Board.

19 59. CHS-87856 asked NURU if he knew the group submitted a bid for the Gold Dust to go  
20 into the airport a few months prior and BOVIS told NURU that this time they want to take care of the  
21 votes ahead of time. NURU said you have to do the legwork. NURU said AIRPORT COMMISSIONER  
22 1 is a very good friend of his and he has never asked her for anything but they do other things together.  
23 NURU shared that he and BOVIS met with AIRPORT COMMISSIONER 1 a few weeks ago and she  
24 has already done some work on the project for them. UCE-7982 asked if AIRPORT COMMISSIONER  
25 1 could handle everything herself or if they should meet with any of the other board members. NURU  
26 said to let her handle that, meaning AIRPORT COMMISSIONER 1, and BOVIS added that AIRPORT  
27 COMMISSIONER 1 previously told him that three of the five commissioners work together when  
28 voting. NURU explained that it was unlikely they could meet with a commissioner without access

1 because a commissioner would not meet with them “out of the blue.” NURU advised to let her, meaning  
2 AIRPORT COMMISSIONER 1, do all that work and “if we need to do something she will tell us.”

3 60. BOVIS showed the group photographs of the Transbay Transit Center on his computer,  
4 and CHS-87856 asked NURU if there was someone they could contact to learn more about the project.  
5 NURU suggested they call “out of the blue” and say they are interested in the Transbay Transit Center  
6 and to let him know. NURU said the train has “left the station” but they can try to tell them they just  
7 heard about the project. NURU further offered, “If there is a slight window, I can get you in, for sure,  
8 because I’m the Chairman for them.” Based on the context of this conversation, and based on my  
9 training and experience, I believe NURU was saying they were late to be trying to get a location in the  
10 Transbay Transit Center, but he was willing to use his position as Chair of the Transbay Joint Powers  
11 Authority Board to help the group secure a location.

12 61. BOVIS also told NURU that he was doing a licensing agreement with the Spinnerie for  
13 Lease #5 at SFO, and discussed whether AIRPORT COMMISSIONER 1 has done any “research.” The  
14 group discussed how busy SFO is and potential tenant spaces. BOVIS suggested UCE-7982, CHS-  
15 87856, and CHS-87857 meet with AIRPORT COMMISSIONER 1 and also suggested the idea of  
16 AIRPORT COMMISSIONER 1 traveling to the city where Company X is based, to meet everyone.  
17 NURU said he had plans to meet with AIRPORT COMMISSIONER 1 later in the week and mentioned  
18 he needed to meet with INDIVIDUAL 1 since he helps AIRPORT COMMISSIONER 1. BOVIS  
19 confirmed the group would follow up with the Transbay Transit Center and NURU told them to call.  
20 NURU asked about everyone’s schedule for the following day and BOVIS suggested a tour of the  
21 project. NURU provided a contact to CHS-87856 (which CHS-87856 later used to schedule a tour).

22 62. UCE-7982 asked BOVIS about his comment about giving back to the community or  
23 whether that was a conversation best handled with AIRPORT COMMISSIONER 1. BOVIS responded  
24 that he had a nonprofit but he would talk to her. NURU added, “We’ll let you know which groups she  
25 wants.” Based on my training and experience, I believe NURU was saying that he and BOVIS would let  
26 UCE-7982 know the names of one or more nonprofit organizations to which AIRPORT  
27 COMMISSIONER 1 said they should make a donation in exchange for AIRPORT COMMISSIONER  
28 1’s assistance with the airport lease. In summary, during this meeting, I believe BOVIS and NURU

1 were describing a scheme to offer AIRPORT COMMISSIONER 1 a bribe of a free trip to another city  
2 and/or a donation to a designated charitable group in order to deprive the public of AIRPORT  
3 COMMISSIONER 1's honest services in the selection of airport bids.

4  
5  
6 **(d) NURU Tells BOVIS to Provide a \$5,000 Bribe for AIRPORT  
COMMISSIONER 1**

7  
8 63. On March 21, 2018, at approximately 11:23 a.m., CHS-87857 made a recorded call to  
9 BOVIS. CHS-87857 thanked BOVIS for the meeting and BOVIS mentioned he was meeting with  
10 NURU and AIRPORT COMMISSIONER 1 on Thursday, March 22, 2018 at 6:30 p.m. BOVIS asked if  
11 CHS-87857 could fly AIRPORT COMMISSIONER 1 out to the city where Company X is based. CHS-  
12 87857 asked how BOVIS thought the meeting with NURU went. BOVIS responded that he thought the  
13 meeting with NURU went well, and stated, "So he told me, he goes, 'just give me, between me and you,  
14 I didn't want to say it front of the other people,' he said, 'if you give me like \$5,000 bucks cash for her  
15 and send her off to [the city where Company X is based] to meet you guys and I'll get it taken care of.'  
16 And I said 'OK.'"

17 64. BOVIS then told CHS-87857, "So, I'll take care of that and get her out there to you."  
18 BOVIS also said AIRPORT COMMISSIONER 1 was "fine to talk straightforward to, so it's not a  
19 problem" in order to get some assurances on the lease. Based on my training and experience, I believe  
20 the reference to "\$5,000 bucks cash for her" was an instruction from NURU to BOVIS to provide a  
21 \$5,000 cash bribe for AIRPORT COMMISSIONER 1, along with a free trip to another city, in exchange  
22 for official acts which would ensure that BOVIS, CHS-87857, CHS-87856 and Company X won the  
23 contract for a restaurant concession at SFO. I believe this constitutes a scheme by NURU and BOVIS to  
24 bribe AIRPORT COMMISSIONER 1 and defraud the public of AIRPORT COMMISSIONER 1's  
25 honest services. In addition, based on my training and experience, I believe BOVIS's comment that  
26 AIRPORT COMMISSIONER 1 was "fine to talk straightforward to" meant they could trust her and  
27 could be direct in their conversation about the exchange of the \$5,000 for securing the lease.

28 65. On March 22, 2018, at approximately 12:43 p.m., CHS-87857 made a recorded interstate

1 call to BOVIS. CHS-87857 asked BOVIS to determine AIRPORT COMMISSIONER 1's expectations  
2 for the trip to the city where Company X is based. BOVIS replied that he thought it should be a one or  
3 two night trip so CHS-87857 and AIRPORT COMMISSIONER 1 could meet, take a quick airport tour  
4 to see CHS-87857's operations, and go to dinner. BOVIS instructed CHS-87857 to text him with any  
5 other questions for AIRPORT COMMISSIONER 1. BOVIS believed that if the meeting with AIRPORT  
6 COMMISSIONER 1 went well, she might provide assistance for other projects. BOVIS told CHS-  
7 87857 that when he meets AIRPORT COMMISSIONER 1, he should "be straightforward to make sure  
8 we win the vote." Based on my training and experience, I believe when BOVIS told CHS-87857 to "be  
9 straightforward to make sure we win the vote," he was instructing CHS-87857 to ask AIRPORT  
10 COMMISSIONER 1 how they can be guaranteed to win the vote.

11 66. Telephone records confirm the aforementioned call between CHS-87857 and BOVIS on  
12 BOVIS' cellular telephone. In addition, telephone records show BOVIS' next call on the same phone  
13 was to NURU a few hours later.

14 (e) **BOVIS, NURU, and INDIVIDUAL 1 Meet at the Broadway Grill**

15  
16 67. Later on March 22, 2018, agents surveilled a dinner meeting at the Broadway Grill.  
17 Agents observed NURU and an unidentified male at a table and saw BOVIS join them shortly after and  
18 say, "Hi [INDIVIDUAL 1's first name]." The group proceeded to have dinner and BOVIS  
19 intermittently showed INDIVIDUAL 1 information on his phone and computer. After the dinner  
20 meeting, agents observed NURU and INDIVIDUAL 1 depart the restaurant and enter a silver Mercedes  
21 registered to INDIVIDUAL 1 and his business. Agents have reviewed driver's license photographs for  
22 the registered owner of the Mercedes, INDIVIDUAL 1, and have determined that he is the individual  
23 with whom NURU and BOVIS had dinner.

24 68. On March 23, 2018, at approximately 1:55 p.m., CHS-87857 made a recorded call to  
25 BOVIS. BOVIS stated he met with INDIVIDUAL 1, an architect and associate of AIRPORT  
26 COMMISSIONER 1, the night prior. INDIVIDUAL 1 told BOVIS that AIRPORT COMMISSIONER 1  
27 had already spoken to INDIVIDUAL 1 about BOVIS' project and explained, "The way it works is that  
28 ahead of time they know who is going to win" and "she said she's already been working on it." BOVIS

1 also said they had discussed meeting with the Director of SFO [SFO DIRECTOR]. BOVIS offered to  
2 call NURU to check on AIRPORT COMMISSIONER 1's health issues and schedule a meeting with  
3 her. Based on my training and experience, I believe the reference to "she's already been working on it"  
4 means that, according to BOVIS and INDIVIDUAL 1, AIRPORT COMMISSIONER 1 was working on  
5 securing the votes to ensure BOVIS, CHS-87857, CHS-87856 and Company X won the contract for a  
6 restaurant at SFO.

7  
8 **(f) BOVIS Arranges a Meeting with AIRPORT  
COMMISSIONER 1**

9 69. On March 27, 2018, at approximately 8:56 a.m., CHS-87857 made a recorded call to  
10 BOVIS. BOVIS said he was working on the appointment and CHS-87857 suggested April 3 or April 4.  
11 BOVIS said NURU told him AIRPORT COMMISSIONER 1 was home and doing better. CHS-87857  
12 asked if SFO DIRECTOR would be at the meeting. BOVIS replied that he was working on it. BOVIS  
13 said they could talk "freely" with AIRPORT COMMISSIONER 1, but he was not sure if they could be  
14 as open with SFO DIRECTOR. BOVIS said he would call CHS-87857 to confirm the meeting date.  
15 Based on my training and experience, I believe BOVIS' reference to talking "freely" with AIRPORT  
16 COMMISSIONER 1 meant that UCE-7982, CHS-87856, and CHS-87857 could discuss their desire for  
17 the lease and inquire about what AIRPORT COMMISSIONER 1 wanted in exchange for guaranteeing  
18 they would win.

19 70. On March 29, 2018, at approximately 1:25 p.m., CHS-87857 made a recorded call to  
20 BOVIS. BOVIS and CHS-87857 were discussing a potential meeting date when BOVIS received a call  
21 on the other line. When BOVIS returned to the call, he stated that the call was "perfect timing" and the  
22 meeting was confirmed for April 4, 2018 at 6 p.m. at the Broadway Grill. BOVIS stated he would text  
23 AIRPORT COMMISSIONER 1 to confirm the meeting.

24 71. Telephone records confirm the call between CHS-87857 and BOVIS. In addition,  
25 telephone records show BOVIS received a call on the same cellular telephone from NURU on March  
26 29, 2018 at 1:26 p.m. The content of the telephone call between BOVIS and NURU was not captured,  
27 but based on BOVIS' comment that CHS-87857's call was "perfect timing," I believe that BOVIS and  
28 NURU confirmed a meeting to discuss the assistance to be provided by AIRPORT COMMISSIONER 1

1 to secure the lease. A review of telephone records also shows NURU called AIRPORT  
2 COMMISSIONER 1 just before calling BOVIS.

3 72. On March 30, 2018, at approximately 9:56 a.m., CHS-87857 made a recorded call to  
4 BOVIS. They confirmed the meeting on April 4, 2018 and discussed a potential meeting with SFO  
5 DIRECTOR. They also confirmed the meeting with AIRPORT COMMISSIONER 1 would be at 6 p.m.  
6 BOVIS said he would talk to NURU that day and see if he could schedule that meeting. BOVIS shared  
7 that NURU had asked BOVIS what CHS-87857 thought about opportunities at the Transbay Transit  
8 Center. CHS-87857 said they could discuss the Transbay Transit Center at their upcoming meeting.  
9 Based on my training and experience, I believe that arranging this meeting furthered the scheme to  
10 defraud the public of AIRPORT COMMISSIONER 1's honest services, by creating an opportunity to  
11 meet with AIRPORT COMMISSIONER 1 outside the public competitive bidding process in violation of  
12 the RFP Rules and also by setting up an opportunity to discuss potential bribe payments in exchange for  
13 favorable treatment in the awarding of leases at the transit center and airport.

14 73. On April 2, 2018, at approximately 12:31 p.m., CHS-87857 made a recorded call to  
15 BOVIS. BOVIS explained that SFO DIRECTOR could not make the upcoming meeting, but that he  
16 was "aware of what was going on." BOVIS confirmed AIRPORT COMMISSIONER 1 would be at the  
17 meeting. BOVIS added that the rooftop space became available in the "Salesforce building" and CHS-  
18 87857 could talk to NURU about it. Based on the project description, I know the Salesforce Tower  
19 adjoins the Transbay Transit Center, and that the two buildings are often referred to interchangeably.

20  
21 (g) **The April 4 Meeting at the Broadway Grill Involving BOVIS,  
22 UCE-7982, CHS-87856, CHS-87857, NURU, and AIRPORT  
COMMISSIONER 1.**

23 74. On April 4, 2018, UCE-7982, CHS-87856, and CHS-87857 met with BOVIS at the  
24 Broadway Grill. This meeting was recorded. BOVIS said NURU and AIRPORT COMMISSIONER 1  
25 would be joining the meeting. BOVIS explained that AIRPORT COMMISSIONER 1 knows the vote  
26 before they make the decision on airport bids. UCE-7982 and BOVIS talked about whether payment  
27 was needed for NURU and/or AIRPORT COMMISSIONER 1. Specifically, CHS-87857 brought up the  
28 \$5,000 payment for AIRPORT COMMISSIONER 1 that BOVIS said NURU had previously told

1 BOVIS to provide. BOVIS asked, "It's alright to all talk, right?" UCE-7982 said yes. BOVIS replied,  
2 "I was going to... you don't need to worry about that. I'll get all that stuff taken care of. I'll do that... I'd  
3 like to get this done for you..." BOVIS also said, "I've failed twice so I want to get this one."  
4 Additionally, BOVIS said "Mohammed is real private about that stuff so don't let him know I said  
5 anything... He said just give her an envelope... and that will be between me and ...you know, better no  
6 one knows. I'll take care of that and then I'll work out with Mohammed on my side, I'm going to do  
7 some things for him." BOVIS then showed UCE-7982 that BOVIS had a significant amount of cash in  
8 an envelope. Based on my training and experience, I believe BOVIS was showing UCE-7982 that  
9 BOVIS was prepared to make the above-described \$5,000 bribe payment to AIRPORT  
10 COMMISSIONER 1 as instructed by NURU, and that when BOVIS was saying he would also "do some  
11 things for" NURU, BOVIS meant he would also provide money or other items of value to NURU in  
12 exchange for NURU's help. I believe that these statements described BOVIS's and NURU's scheme to  
13 bribe AIRPORT COMMISSIONER 1, provide items of value to NURU in exchange for NURU's  
14 assistance, and ultimately to defraud the public of AIRPORT COMMISSIONER 1's honest services in  
15 connection with the airport bid.

16 75. At that point NURU arrived, joined them at the table, and started conversing with CHS-  
17 87856 and CHS-87857. At the same time, UCE-7982 asked BOVIS how they should approach the  
18 money situation. BOVIS replied, "I don't think there is any, um, this would just be the way to do it...  
19 it's not for, you have to, you can't take something, to do something for her, like for me... [OV] to do it  
20 right, to do it properly. Like, I can't accept [OV]." UCE-7982 asked for clarification and BOVIS  
21 responded, "It's just how you word it, right?" They acknowledged it was a delicate topic and BOVIS  
22 said they would see what she says.

23 76. NURU told BOVIS, UCE-7982, CHS-87857 and CHS-87856 that the Transbay Transit  
24 Center rooftop was still available for development. The group discussed an earlier meeting and tour of  
25 the Transbay Transit Center. NURU mentioned that over 500 buses would go through the transit center.  
26 The group also discussed the possibility for a train station in the future, and that there was potential with  
27 Salesforce employees at lunchtime. They continued to discuss restaurants in San Francisco until NURU  
28 was alerted that AIRPORT COMMISSIONER 1 had arrived.

1 77. As soon as NURU left to meet AIRPORT COMMISSIONER 1, UCE-7982 and BOVIS  
2 returned to the discussion about the \$5,000 bribe payment to AIRPORT COMMISSIONER 1.  
3 Specifically, BOVIS said AIRPORT COMMISSIONER 1 did not ask for anything, no one asked for  
4 anything, but NURU recommended they do something for her. He said NURU never asked her for a  
5 favor before but she'll gladly do it as a favor so she may not even take anything. BOVIS told UCE-  
6 7982, "Let's ask her direct, what are our odds, can you make sure we get the votes, just without  
7 anything." BOVIS continued, "And then I'll do that on my own, I think is probably the best way, as a  
8 thank you, that's all. If she doesn't accept it, then that's fine. It wasn't asked for though. [NURU] had  
9 told me this as a suggestion. [NURU] won't ever take nothing from me neither, never. I give it but  
10 [NURU] never asked for anything, so that's the whole, he can never ask but I can offer. That's why I  
11 figured I would [UI]." CHS-87856 asked BOVIS if he thought that would work and BOVIS replied,  
12 "After direct tonight, you ask her, if, we want to make, we've lost two times and we don't want to, we  
13 want some sort of guarantee that we are going to get this one. I'll ask her direct, in front of you. That's  
14 why, if she says no problem, but I want you to hear it from her." BOVIS explained that AIRPORT  
15 COMMISSIONER 1 controls the board so "if she says yes, and she has three or four of the votes, and  
16 they all vote together." BOVIS said AIRPORT COMMISSIONER 1 previously told him three of the  
17 five board members vote together. AIRPORT COMMISSIONER 2 may ask her for a favor and they  
18 work together or she may ask AIRPORT COMMISSIONER 2 for a favor and they work together.  
19 BOVIS told the group AIRPORT COMMISSIONER 1 was nice and they could ask her questions.  
20 BOVIS had dinner with AIRPORT COMMISSIONER 1 previously and she told him NURU has never  
21 asked her for any favors before so whatever he wants because he does a lot of things for her. AIRPORT  
22 COMMISSIONER 1 told BOVIS she got SFO DIRECTOR his job at the airport and BOVIS explained  
23 to the group that AIRPORT COMMISSIONER 1 has been around for a long time and is well connected.

24 78. BOVIS also explained that AIRPORT COMMISSIONER 2 and AIRPORT  
25 COMMISSIONER 1 "always stick together" and AIRPORT COMMISSIONER 1 had previously told  
26 BOVIS that no one asked for the chicken place yet. BOVIS suggested they ask her questions and added,  
27 "but I'm pretty sure we'd get the chicken place. Ask her direct. We don't want to waste, we don't want  
28 to do, don't want to do another RFP if we are going to lose to second place again." BOVIS said they

1 could explain to AIRPORT COMMISSIONER 1 that they lost money and have lost twice. BOVIS  
2 stated that the late mayor promised him and it didn't come through so AIRPORT COMMISSIONER 1  
3 may be able to explain why they lost last time. BOVIS confirmed COMPANY Z won the last bid and  
4 said COMPANY Z claimed to have it "in the bag" ahead of time.

5 79. Shortly thereafter, NURU returned with AIRPORT COMMISSIONER 1 and they joined  
6 the table. I believe AIRPORT COMMISSIONER 1's presence at the dinner violated the RFP rules  
7 prohibiting contact outside of the public competitive bidding process with members of the Airport  
8 Commission regarding the selection process for the lease. AIRPORT COMMISSIONER 1 said they  
9 want "good people" at the airport and added, "I've got to figure out what your particulars are to make  
10 sure they're in place. That's what you have to do, you know, in order to work with me." AIRPORT  
11 COMMISSIONER 1 said she got SFO DIRECTOR his job. AIRPORT COMMISSIONER 1 also said  
12 she and AIRPORT COMMISSIONER 2 went through the process but knew they were going to choose  
13 SFO DIRECTOR.

14 80. CHS-87857 then mentioned to AIRPORT COMMISSIONER 1 the fact that BOVIS,  
15 CHS-87857, CHS-87856, and Company X had lost bids for restaurants at SFO to a COMPANY Y  
16 affiliated restaurant, and then to COMPANY Z. AIRPORT COMMISSIONER 1 stated she has to make  
17 sure she has everyone on board and will find out who will be on the selection committee. The group then  
18 discussed the fact that Lease #5 in Terminal 1 was due in May. AIRPORT COMMISSIONER 1 said  
19 she would brief herself on that and "make sure that nobody is already primed for that, ok, so that I can  
20 push them out of the way if I have to." Based on my training and experience, I believe AIRPORT  
21 COMMISSIONER 1's reference to no one being "primed" meant that no other group had been promised  
22 the contract for Lease #5.

23 81. CHS-87857 asked AIRPORT COMMISSIONER 1, "How do we get primed?"  
24 AIRPORT COMMISSIONER 1 said she would bring SFO DIRECTOR and other people over to  
25 BOVIS' restaurant, Spinnerie, on Polk Street, so they can "rave about it." AIRPORT COMMISSIONER  
26 1 stated that they are not asking for anything and they have enough complexities and a proven entity so  
27 they deserve to be in San Francisco, so she will share that with SFO DIRECTOR. AIRPORT  
28 COMMISSIONER 1 asked what happened and BOVIS responded that they "lost to [COMPANY Y] the

1 first time and it was [COMPANY A] came in and... [OV]" AIRPORT COMMISSIONER 1 replied,  
2 "Ok, because [AIRPORT COMMISSIONER 3] is very tied in to [COMPANY Y] so that's probably  
3 what happened but I didn't know that because I probably could have talked to [AIRPORT  
4 COMMISSIONER 3] and we could have worked out a deal." CHS-87857 responded, "Really?"  
5 AIRPORT COMMISSIONER 1 continued, "He and um, the guy who has [COMPANY Y],  
6 [INDIVIDUAL 2], are like this, they do everything together." CHS-87857 said, "Then they cooked it  
7 outside before it came out." AIRPORT COMMISSIONER 1 responded, "Oh, they cooked it outside. I  
8 know they did."

9 82. NURU later said "Let's make sure we work this correctly... after June things will get  
10 very crazy... we need to lock this in." AIRPORT COMMISSIONER 1 explained to the group she wants  
11 SFO DIRECTOR to be fair since Company X thought they would win the last bid and she is "not really  
12 asking for anything that is not right." AIRPORT COMMISSIONER 1 continued by citing "the fact that  
13 Mohammed is asking me" and noted that "he never asks me for anything." Based on my training and  
14 experience, AIRPORT COMMISSIONER 1's reference to "the fact that Mohammed is asking me"  
15 indicates NURU had already discussed guaranteeing the concession lease with AIRPORT  
16 COMMISSIONER 1 prior to the meeting.

17 83. There was also discussion about whether AIRPORT COMMISSIONER 1 might be able  
18 to arrange to extend the bid deadline in order to give Company X more time. AIRPORT  
19 COMMISSIONER 1 stated, "Stuff can always be pulled from the calendar. You'd rather me pull from  
20 the calendar than for them make the wrong decision." UCE-7982 asked if that was a possibility.  
21 AIRPORT COMMISSIONER 1 responded, "It could be pulled from the calendar if there's an issue with  
22 it ... if I find that..." BOVIS interrupted and said: "That the votes aren't going the right way?"  
23 AIRPORT COMMISSIONER 1 responded: "oh ... you got to pull it, because we got to fix it."

24 84. AIRPORT COMMISSIONER 1 said, "I'm going to go back through and look at where  
25 we are and what is ready to come up.... I'm going to make sure nothing is in place, that's what I've got  
26 to do.... I want to make sure somebody hasn't been promised something, I want to make sure, I might  
27 have to threaten them. No really, I don't like the fact that he [pointing towards BOVIS] lost before...  
28 you shouldn't be spending any money, no, really, seriously, that's not even necessary... it's got to get

1 approved.” AIRPORT COMMISSIONER 1 said, “I think I got [SFO DIRECTOR] where I want him.”  
2 NURU then said, “Yeah, [AIRPORT COMMISSIONER 1], we’re gonna make this happen for them.”  
3 AIRPORT COMMISSIONER 1 responded, “Oh, we got to.” Based on my training and experience, and  
4 based on previous conversations involving AIRPORT COMMISSIONER 1, NURU, and BOVIS, I  
5 believe when AIRPORT COMMISSIONER 1 said she thought she had [SFO DIRECTOR] where she  
6 wanted him, AIRPORT COMMISSIONER 1 meant she believed SFO DIRECTOR would support the  
7 bid by BOVIS, CHS-87857, CHS-87856, and Company X for Lease #5 at SFO.

8 85. Later during the same meeting, CHS-87856 discreetly brought up with NURU the idea of  
9 paying \$5,000 to AIRPORT COMMISSIONER 1. CHS-87856 said, “Hey Mohammed, [UI] we have  
10 the \$5,000 for you said [UI] so that’s a start.” NURU responded, “Oh, no, no, no, no, no, [UI].” CHS-  
11 87856’s response could not be heard but NURU stated, “Yeah, I’ll call you tomorrow... I want to make  
12 sure [UI].” CHS-87856 said, “We want to make sure that we sit down and discuss how we are going to  
13 make it happen for both of us.” NURU said, “Ok... ok, we’re good. [UI]” CHS-87856 stated, “Man, you  
14 make me carry \$5,000 in my pocket for nothing. [UI]” NURU said, “Man, I did you a favor [OV]... I  
15 know, I know, but that’s ok. That’s ok. I’ll have Nick put it in the safe for you.” CHS-87856 asked,  
16 “Really?” NURU said, “Have Nick put it in the safe for you. He can do that.” CHS-87856 said, “Yeah?”  
17 NURU responded, “Yeah, he can. Yeah, that way you don’t feel like you’re, you’re, I know how that  
18 feels so...” and the two laughed. CHS-87856 said, “So we’ll talk next time then?” and NURU replied,  
19 “Yeah, yeah, we’re good.” CHS-87856 said, “Yeah?” and NURU replied, “No, we’re good. Yeah. Let  
20 [AIRPORT COMMISSIONER 1] get, let’s get on with everything else.” BOVIS then indicated to CHS-  
21 87856 through facial expressions and body language that CHS-87856 should discontinue that aspect of  
22 the conversation. AIRPORT COMMISSIONER 1 may have noticed the conversation as she stated,  
23 “You don’t need to do anything. I mean, please. This is what we’re supposed to do... I’m only doing  
24 what I’m supposed to do, so I don’t have an issue, you don’t even need to feed me, this is what I’m  
25 supposed to do... this is exactly what I’m supposed to do. And I’m getting old, I’ve been on that  
26 commission for a long time. This is insane.”

27 86. Toward the end of the meeting, CHS-87856, CHS-87857, and UCE-7982 left, so UCE-  
28 7982 could get them to the airport. AIRPORT COMMISSIONER 1, NURU, and BOVIS remained

1 behind at the restaurant. As CHS-87856 departed, CHS-87856 told AIRPORT COMMISSIONER 1  
2 how they hoped she could help them. AIRPORT COMMISSIONER 1 replied, "Oh, I'm going to do  
3 everything I can." AIRPORT COMMISSIONER 1 and BOVIS then exchanged contact information.  
4 AIRPORT COMMISSIONER 1 did not say her number aloud as BOVIS noticed that he already had her  
5 phone number in his phone. UCE-7982 asked NURU if they could contact him regarding the Transbay  
6 Transit Center and NURU responded, "Oh, yes. You just tell me what's up. The way I want... just go  
7 through, if you feel like there is a hurdle or something then you tell me and then I'll unblock it."

8 87. On April 4, 2018, at approximately 9:01 p.m., CHS-87857 made a recorded call to  
9 BOVIS. CHS-87857 thanked BOVIS for the meeting and BOVIS asked CHS-87857 to put information  
10 together for AIRPORT COMMISSIONER 1 including background on the last two failed bids and details  
11 regarding the place they were interested in. CHS-87857 agreed, and asked if he could provide UCE-  
12 7982 with BOVIS' telephone number. BOVIS agreed.

13 **(h) BOVIS Meets with UCE-7982 on April 5, 2018.**

14 88. Later on April 4, 2018, at approximately 9:57 p.m., UCE-7982 sent a text message to  
15 BOVIS. The message stated the following: "Hey Nick. This is [UCE-7982]. Sorry we had to run out on  
16 you tonight but i had to get them to the airport. Are you available to meet for coffee in the morning to  
17 continue our discussion?"

18 89. At 10:06 p.m., BOVIS called UCE-7982. That call was recorded. UCE-7982 and BOVIS  
19 discussed meeting the following morning in order to continue the discussion from earlier that evening at  
20 the restaurant. BOVIS explained briefly that he had hopes of expanding his chicken restaurant known as  
21 "The Spinnerie" and hoped to talk to UCE-7982 about it the following morning. BOVIS stated that he  
22 would call UCE-7982 at approximately 8:30 a.m. the following morning.

23 90. On April 5, 2018, at approximately 7:57 a.m., BOVIS again called UCE-7982. UCE-  
24 7982 did not answer the call, but placed a return phone call to BOVIS at approximately 8:14 a.m., which  
25 BOVIS did not answer. BOVIS sent UCE-7982 a text message at 8:15 a.m., which stated, "I will call  
26 you back in ten minutes".

27 91. On April 5, 2018, at approximately 8:06 a.m., CHS-87857 made a recorded call to  
28 BOVIS. BOVIS told CHS-87857 he would take care of everything so it "doesn't get any strange, you

1 know, for them." He added, "I'll take care of all that with the people." BOVIS said AIRPORT  
2 COMMISSIONER 1 would start working their project after they provide her with information.

3 92. Shortly after, at approximately 8:18 a.m., BOVIS called UCE-7982. The call was  
4 recorded. During the call, BOVIS explained to UCE-7982 that there was no longer any need to pay  
5 \$5,000 to NURU and/or AIRPORT COMMISSIONER 1, as had been discussed over dinner the  
6 previous night. BOVIS stated that after dinner, he had a discussion with NURU and AIRPORT  
7 COMMISSIONER 1 and offered AIRPORT COMMISSIONER 1 the \$5,000 cash payment he had  
8 brought with him to dinner. BOVIS stated that AIRPORT COMMISSIONER 1 did not want the money  
9 and was going to award the contract of Lease #5 at the SFO airport to BOVIS, CHS-87856, CHS-87857,  
10 and team, simply because it was the right thing to do. BOVIS apologized for bringing up the subject of  
11 the \$5,000 payment and again said it was not necessary. UCE-7982 asked BOVIS if he still wanted to  
12 meet for coffee that morning. BOVIS stated he didn't know of a reason to meet unless there was  
13 anything else UCE-7982 wanted to discuss. UCE-7982 explained that s/he wanted to explain to BOVIS  
14 how s/he had come to meet CHS-87856 and CHS-87857 and do business with them, and some of the  
15 services that UCE-7982 might be able to offer BOVIS. BOVIS indicated that he would like to have that  
16 conversation. BOVIS and UCE-7982 agreed to meet for coffee at a Starbucks restaurant located in  
17 Burlingame, California, at approximately 10:45 a.m. that morning.

18 93. UCE-7982, BOVIS, and BOVIS' wife, then met at the Starbucks in Burlingame,  
19 California. That meeting was recorded. UCE-7982 explained their business and relationship with the  
20 CHSs. BOVIS stated, "San Francisco is very careful and it's not pay-to-play, you have to know people  
21 and do it correctly." When UCE-7982 mentioned that everyone was different, BOVIS replied, "Out  
22 here it's about relationships and friends and stuff. So I've known people for a long time and they are  
23 very good people and [UI] and as long as you work together but they don't expect, a lot of these people  
24 have a lot of money and stuff. They just need to know that you are a good person to work with and you  
25 are not going to let them down... That's mainly, like, we have all the criteria, we have the San Francisco  
26 brands, we have everything for them, it's just a matter of them, getting in front of the vote." BOVIS  
27 explained that AIRPORT COMMISSIONER 1 is fine with money and does not need anything and she is  
28 a good person. He continued, "They do like, there is things I can do, like the restaurant, I can use it to

1 entertain for them and do stuff. That way it is not a direct conflict or anything. They just have to be  
2 careful of doing anything that is not right. Their jobs are more important than us.” UCE-7982  
3 acknowledged BOVIS’ concerns and that every situation and every person is different in how they need  
4 to be helped. BOVIS reiterated AIRPORT COMMISSIONER 1’s position and stated, “I didn’t mean to  
5 say that about the money. I was just, giving them an example, I would just, she said no, that’s not what  
6 she wanted. She feels the mayor died, he wanted this done, the last one, and they didn’t listen to him. I  
7 guess, so, it’s funny, when you have a position like that and you ask for a favor, sometimes the guys  
8 below them are doing all this hanky-panky stuff. See, if she was involved in the beginning, she would  
9 have pulled it and she says she would have gone back and got the votes. I’m not a novice in the area but  
10 I’ve been through a lot of votes and lost a few. So now I know if you want to win, you have to prepare.  
11 I’ll handle that but if you’re backing [CHS-87857] with whatever, the airport financing thing...”

12 94. This statement by BOVIS was a departure from what BOVIS had previously said about  
13 giving \$5,000 to NURU, per NURU’s instruction, in the recorded conversation with CHS-87857 on  
14 March 21, 2018. It also stands in contrast to the April 4, 2018, meeting when BOVIS brought a  
15 significant amount of cash in an envelope and said NURU told him to “just give her an envelope... and  
16 that will be between me and ...you know, better no one knows.” Finally, this statement conflicts with  
17 another statement BOVIS made to CHS-87857 and CHS-87856 on January 24, 2018 that NURU  
18 “knows how to cover his back on all this stuff so it’s not a conflict or nothing.”

19 95. Based on my training and experience, I believe the change in what BOVIS was saying to  
20 UCE-7982 was likely precipitated by conversation(s) between BOVIS and others, most likely NURU  
21 and/or AIRPORT COMMISSIONER 1, regarding suspicions about UCE-7982. As discussed below,  
22 this belief appears to be confirmed by subsequent recorded conversations between BOVIS and CHS-  
23 87857, and an associate of BOVIS’s (INDIVIDUAL 3) and CHS-87857, in which BOVIS and  
24 INDIVIDUAL 3 each questioned CHS-87857 about UCE-7982’s background. It is possible that  
25 NURU, AIRPORT COMMISSIONER 1, and BOVIS discussed those suspicions when they remained  
26 behind after CHS-87857, CHS-87856, and UCE-7982 left the restaurant on April 4 to go to the airport.  
27 Toll records also show several calls between BOVIS and INDIVIDUAL 3 on April 5, 2018 after the  
28 meeting with NURU and AIRPORT COMMISSIONER 1 and after the April 5, 2018 Starbucks meeting

1 with UCE-7982 and BOVIS.

2 96. During the April 5, 2018 meeting, BOVIS also told UCE-7982 that he has known NURU  
3 for a long time and NURU “comes through.” When asked about the cash they intended to pay the  
4 previous night, BOVIS said NURU did not want anything. BOVIS stated the goal was to get into the  
5 airport. BOVIS said if AIRPORT COMMISSIONER 1 said it was still open, “that’s all we need to  
6 know.” If someone were ahead of them, they would have to wait for another location. Regarding the  
7 money, BOVIS said, “I don’t want to do anything until we get this deal... then that again would be me  
8 because they don’t feel comfortable doing anything with you.” UCE-7982 listed multiple ways to  
9 construct payments and BOVIS responded, “That was my mistake. I’m sorry about that. That was sort of  
10 my mistake to say that to [CHS-87857] because I shouldn’t have... that’s what I thought would ... I was  
11 just going to do a little thank you thing. It wasn’t a, like a...” BOVIS did not complete his sentence.

12 97. BOVIS said that as far as his relationship with them was concerned, hopefully he could  
13 get the deal through that. Later on they can deal directly with them but it takes a while to get to know  
14 people. BOVIS reiterated “it had to be a relationship kind of thing and someone can’t just come in from  
15 the outside.” UCE-7982 acknowledged BOVIS’ statement but said spending money to guarantee a  
16 proposal is “smart business.” BOVIS replied, “You’re absolutely right but I want to see it to make sure  
17 there is a smooth path ahead of us. Not that there is already someone else, like last time, and they are  
18 powerful. I don’t want to fight that.”

19 98. UCE-7982 said another concern is “a lot of times, the thank yous, they want on the back-  
20 end and sometimes that is a percentage, like a two percent fee, or what have you, right. And so, you  
21 know, we’d like to try to know that upfront in order to budget that in because at some point the money  
22 kind of slides and it doesn’t work.” BOVIS stated, “I told [CHS-87857], normally it was a three percent  
23 licensing fee, so I said this one will be a four, that’s all... and then that would take care of all that. So I  
24 would handle all, everything.” UCE-7982 clarified, “Ok, so you’ll be handling everything out of the  
25 back-end of your fee.” BOVIS stated, “Yeah, that way we don’t have to worry about [UI]. But we have  
26 to get this job done. So, that’s the most important. I think that normally licensing fees range from  
27 anywhere from, like, two to eight percent... so we’re right in the range so we wouldn’t be outside, it  
28 wouldn’t [UI] your bottom line for anything.” UCE-7982 said s/he wrote a pro forma for Company X

1 and that their background is in accounting. BOVIS said, "So with the three million dollar a year  
2 whatever, what is it, a thousand [UI] 1300 square feet?" UCE-7982 responded, "It's somewhere in that  
3 range, I forget exactly without looking at the [UI]." BOVIS said, "So it has to perform above three  
4 million dollars or around there at the airport because you have union contracts... you have, you know,  
5 because your price point is high so everything goes up... it's a lot more expensive here in San  
6 Francisco." UCE-7982 agreed, "Sure, yeah, and most of the costs are on a sliding scale as the revenue  
7 goes up." BOVIS said, "[UI] so in that range you're talking about a whole bunch of licensing fees, it's  
8 not a big number. When we are talking 10, 13 million dollar ones, then it's, that makes me happier, but  
9 I'm going to provide, I have the, I'm going to send you my package for the concept and I have a plan  
10 there [UI] that one too... that's on the outside, [UI] airport. It would be perfect for us to show we have a  
11 licensing agreement in the airport, so that helps me too... I'm open to other... I'm flexible."

12 99. UCE-7982 said, "Ok, so the fee on the back-end, it's making a little bit more sense to me  
13 now because, you know, honestly, I thought, if all they are asking for is \$5,000, that doesn't really make  
14 any sense, right?" BOVIS replied, "That was just me, to take care of things, like, when dinner [UI]... I  
15 don't need that, I can get it." UCE-7982 stated, "The percentage fee on the back-end makes sense, that  
16 that's what they are looking for. And that is where I can offer companies..." BOVIS offered to find out  
17 more and UCE-7982 said he "didn't want to go into it blindly thinking that there wasn't any of that and  
18 then get hit with that on the back-end, you know." BOVIS responded, "No. I just told [CHS-87857]  
19 upfront before it was four, instead of three percent of the... it's not much but it's enough to take care of  
20 all that... so... and I would have to take, do that myself." UCE-7982 asked, "Is that already arranged  
21 between you and, is that through, Mohammed?" BOVIS confirmed, "Yeah, yeah... that way everybody  
22 is separated, you know." UCE-7982 said, "Well so, you know, where that becomes important is going  
23 down the road. If we [UI] them here, you know, I need to kind of be able to factor that in." BOVIS  
24 interrupted, "So I don't have to act like a lobbyist." UCE-7982 said it was important so s/he knows what  
25 the expectations are.

26 100. Based on my training and experience, I believe BOVIS was saying he was going to  
27 charge a 4% licensing fee instead of his usual 3% fee, that this would not raise any red flags because  
28 licensing fees typically range from 2% to 8%, and that he would pay AIRPORT COMMISSIONER 1

1 (and potentially NURU), with the payment being provided though NURU out of his extra licensing fee  
2 percentage in exchange for help with securing the lease. Moreover, in my training and experience, when  
3 BOVIS said he would not have to “act like a lobbyist,” I believe he meant he would not have to continue  
4 advocating for the lease but could rest assured that it was guaranteed.

5 101. BOVIS and UCE-7982 also discussed the Transbay Transit Center. BOVIS offered to  
6 assist UCE-7982 to “get it through” and instructed UCE-7982 to “make it like it’s legitimate in whatever  
7 way you can do it.” BOVIS added, “Mohammed said he would, that one is not a favor, the airport is  
8 more complicated. That one, he runs it, he’s on the board and everything.”

9 102. Based on my training and experience, I believe BOVIS intended this to mean that NURU  
10 has more direct control over contracts at the Transbay Transit Center and can more easily award  
11 concession contracts to whomever he wishes.

12 103. UCE-7982 said s/he would be surprised if “to get to the top deck there wasn’t something  
13 on the back-end of that” and BOVIS said he would find out. UCE-7982 asked if BOVIS would be  
14 interested in putting one of his brands there and BOVIS said, “Yeah, yeah, and if there is some other  
15 brand that would work better, I’m ok too, I’m not, you know, here to... I have my other businesses.”  
16 UCE-7982 said he understood, but BOVIS has “all the connections here” and BOVIS replied, “I’m not a  
17 lobbyist. Where I need to make [UI] connections [UI] I want to work with them in the airport.... That  
18 is my main focus.”

19 104. BOVIS offered to contact AIRPORT COMMISSIONER 1 and let UCE-7982 or CHS-  
20 87857 know the status of the airport lease. BOVIS said, “I would never not do it right, I just want, I  
21 don’t need any help with that. I should not have said anything about that. I’ll take care of that side, I’ll  
22 be the, it makes her more comfortable.” BOVIS said, “I can’t guarantee anything because last time I  
23 thought it was in the bag and it wasn’t.” UCE-7982 asked if people were taken care of ahead of time,  
24 and BOVIS replied, “No, but it wasn’t necessary. It was just like a...” UCE-7982 added, “It’s almost  
25 always necessary. It’s a surprise when it’s not, put it that way.” BOVIS said, “[UI] was based on results.  
26 I don’t like to promise something I can’t do, so, I can’t, like, I don’t, [AIRPORT COMMISSIONER 1]  
27 is not my good best friend. Mohammed I know well so I have to make sure [AIRPORT  
28 COMMISSIONER 1] [UI] this is the closest I’ve come to the airport, now, with her, so that’s the closest

1 I can get. I mean, the mayor is farther away from, the airport was like Siberia to, the, you know.” UCE-  
2 7982 said he imagines the mayor may have pull at the Transbay Transit Center. BOVIS replied, “Oh,  
3 definitely. Mohammed is in control of it, so that’s a different story... that’s a, he tells you do this, do  
4 that, it’s done, deal. He’s not going to not come through for that... that’s an easy one. But the airport is,  
5 the new person, and I have to know, I just need to know from her [UI]. I’m worried she’s older, you  
6 know, and you forget when you’re older. I don’t want to promise you guys, ‘Hey, I got the deal done’ so  
7 I need to be, hear from her that there is nobody in the way, let’s do it, and I’ll feel real comfortable with  
8 that.”

9 105. BOVIS’ wife added, “I think what happened in the past was Nick feels like ‘I don’t want  
10 to promise anything that I don’t know what is going to happen.’ Like the last two, he thought for sure,  
11 again the mayor and nothing happened. But they didn’t want anything from him. They didn’t want  
12 anything to secure it. And they’re saying, and I get what you’re saying, if you have some security at the  
13 beginning, then you feel like it’s going to go through. He can’t promise that because already two times it  
14 did not go through. And now this time there is a difference.”

15 106. BOVIS stated, “Last time I put up money for a campaign, I did it through some site, it  
16 was...” BOVIS’ wife added, “and it didn’t work but you didn’t know that the mayor...” BOVIS said, “I  
17 put up the money upfront... I put up 15 last time.” BOVIS’ wife said, “... they said for sure. I remember  
18 him saying it’s a sure thing. Don’t worry, don’t worry.”

19 107. BOVIS’ wife added, “this time like Mohammed said, ‘Why didn’t you talk to me? What  
20 did you go to the mayor for? You should have been talking to me.’ Mohammed told him, ‘He didn’t  
21 know, he is [UI] mayor.’ So there’s, now, so this one, I would think, I would be shocked if it doesn’t go  
22 through to be honest with you. There is no way this isn’t going to happen this time. If it doesn’t I’d be,  
23 because it’s just been too many times and this is the third one and now Mohammed is going to, you  
24 know...” BOVIS finished, “Yeah, he’s involved directly.” Based on my training and experience, I  
25 believe BOVIS and BOVIS’ wife meant that NURU has more ability to get contracts pushed through the  
26 airport via his connection with AIRPORT COMMISSIONER 1 than BOVIS could in the past solely  
27 through BOVIS’s connection with the late mayor.

28 108. BOVIS told UCE-7982, “This is just regular business and we’ll find out about the airport.

1 As far as the transit one, I'll ask him what is required for that but it's very, it's not a big deal." UCE-  
2 7982 said, "So, I mean, I can't imagine that you'd be looking for a percentage on this, right? At the  
3 airport? But not anything like Transit Center? Like, that's a bigger, kind of, more complicated [UI]."  
4 BOVIS said he would "find out but I don't think, yeah, can do a one-time thing. But I can handle that,  
5 like, I'll be the lobbyist... I don't know if I need to get a lobbyist license or anything... whatever. I don't  
6 want to do anything wrong or anything." UCE-7982 explained that sometimes people look for an equity  
7 stake and gave examples and BOVIS asked if s/he knew "how to make that work all properly, right?"  
8 UCE-7982 confirmed. BOVIS replied, "I want to do everything right so let's, I've never done [UI] or  
9 straightforward, like, business." UCE-7982 explained, "So they're not really offering anything, it just,  
10 you know, when it all comes out on paper, you know, it legitimizes everything on paper, you know what  
11 I mean? It takes the stink out of it." BOVIS replied, "Yeah, no, we don't want to do that. I'll see if there  
12 is, I have another company we can buy a couple shares or something..." UCE-7982 explained that  
13 companies could be created to send, for example, consulting invoices, which can then be paid through  
14 the normal course of business. BOVIS commented, "So you're saying you can help us set up legitimate  
15 ones, that way of doing it." UCE-7982 said yes and BOVIS replied, "Yeah, that would be better."

16 109. UCE-7982 described that the \$5,000 payment could be hidden as an entertainment  
17 expense. BOVIS apologized again for telling CHS-87857 to bring \$5,000. UCE-7982 thought the trip to  
18 the city where Company X is based may have been a helpful thing to do and BOVIS explained he  
19 thought of the idea so AIRPORT COMMISSIONER 1 could see Company X's operations. BOVIS said  
20 he wanted "to keep everything clean as possible, you know, because I'm, and you too, we don't want  
21 anybody to get in trouble for anything that is not right. So we always ... if you know how to do it  
22 correctly, like, if you know how to do a thing where it's not a, whatever you want to call it, service."  
23 BOVIS continued, "But, see, we just met right now so I don't want to get, start talking about things that,  
24 I'm going to take money [UI]... so I have to make sure that I don't get in trouble or do anything wrong,  
25 so, yeah, I just want to get this thing in the airport." UCE-7982 acknowledged his statement and said  
26 those were the services that could be offered. BOVIS' wife referred to this as "creative accounting."  
27 Based on my training and experience, BOVIS, his wife, and UCE-7982 were referring to the need to  
28 cover up the payments by creating a fake consulting agreement, or a fake purchase of stock, in order to

1 avoid detection by law enforcement.

2 110. BOVIS said, "Just give me a little while for me to feel more comfortable and then we can  
3 do whatever we want to do. Just takes, I just need to be careful not to make any mistakes. I don't want to  
4 promise anything I can't deliver... I just want to get this one thing here done, whether I lose a little  
5 something something it's not important but I want to produce this one and from there we can build a  
6 relationship..." BOVIS continued, "As far as helping you guys, I like to introduce you to people, I don't  
7 have to make money during the deals but I'd like to get this one, my brand, in the airport. Then after that  
8 if I can connect you to people who can help you at the airport, I'd rather do that too... So that would be  
9 my goal, I wanted [CHS-87857] to get involved with them, get to know all of them and stuff, that way  
10 he has, because you are going to be doing other stuff at the airport too..." UCE-7982 said s/he was  
11 grateful BOVIS organized the meetings. BOVIS said, "To be honest with you, Mohammed does favors  
12 for people all the time and gets nothing out of it, so it's not uncommon."

13 111. BOVIS said he would make sure AIRPORT COMMISSIONER 1 has a "green light" and  
14 then he will feel comfortable and said, "I'll handle that part of it." UCE-7982 asked BOVIS if "that" was  
15 going to NURU, AIRPORT COMMISSIONER 1, or split, and BOVIS replied, "I'd rather just deal with  
16 Mohammed, he's my friend." BOVIS requested UCE-7982's help to design a consulting structure and  
17 said he would check with NURU to see if he has an existing company, adding, "he is very cautious, he  
18 has, he's never, he said no one ever, he doesn't take money, but sometimes we can do it to a cause, or  
19 something, yeah, maybe like a nonprofit or something... I can ask him. I've got to be real careful about  
20 that kind of stuff because of the position he is in." UCE-7982 said, "A donation to a charitable cause is a  
21 pretty easy expense to put on the books, you can pay [UI]. If he's looking for that one percent fee, was it  
22 one percent he was looking for, right? Is that the bump from three to four?" BOVIS confirmed. UCE-  
23 7982 continued, "So if that's where it gets a little more complicated, if it's going direct to someone,  
24 sometimes it has to do one of these, you know, to get to somebody, so construct that 'creative  
25 accounting,' right? But if he wants it to go to a charitable cause, that's pretty easy to do. But you know,  
26 that usually doesn't get to him, you know." BOVIS said he would find out what NURU wants and if it  
27 matters to him. BOVIS stated, "I came up with the idea of this whole four percent thing for me and I  
28 would handle anything I need to do with him, you know, that was the simplest way. But if we are going

1 to do something in the future with others, then I don't know if he can do that or not, it might not even..."

2 Based on my training and experience, I believe BOVIS was explaining that the easiest idea would be to

3 just pay NURU directly out of BOVIS' licensing fee, for NURU to give to AIRPORT

4 COMMISSIONER 1, but in the future, he was not sure if that arrangement would work for channeling

5 payments through NURU for others.

6 112. UCE-7982 explained that if the payments were discovered, it could cause trouble for all

7 involved, including BOVIS, NURU, AIRPORT COMMISSIONER 1, CHS-87857, CHS-87856, UCE-

8 7982, and UCE-7982's lender. BOVIS said he needs to know more about UCE-7982 and will feel more

9 comfortable letting UCE-7982 handle that. UCE-7982 explained that being straightforward is easier than

10 speaking in riddles. BOVIS replied, "Well, in my brain, what if this is some sort of FBI sting or

11 something?"

12 113. BOVIS then said, "my friend was looking [UI] companies [UI] and they can talk direct."

13 BOVIS reiterated he does not want to "do it wrong" and NURU does not want problems. BOVIS shares

14 his relationships "always do it for favors, I never do it for profit or anything, so that way I'll never be in

15 trouble... but the other thing is that, it concerns my brand and stuff, and I want to do everything right.

16 But to be honest with you, like the airport deal, it's not really a pay-to-play thing because it's, she, we

17 have brands that, like I was telling you before, I have a legacy bar, I have the old, historical... the Gold

18 Dust in the Lefty O'Doul's, this are famous institutions that deserve to be in there, just like the other

19 ones. The other ones got in there however they got in there, you know, that aren't that. There are other

20 ones that are, like the Buena Vista is a legitimate historical thing in San Francisco. Then you see some

21 other brands that aren't really San Francisco brands in the airport, so, however the professionals do it,

22 like, your, another brand comes in and they hire the people to go smooth the way, however it's done, I'll

23 follow those guidelines, fine. So if this is standard business practice, that's fine."

24 114. BOVIS told UCE-7982 that he now understood things more clearly and "it was

25 uncomfortable for me to talk anything that's not, like, [UI] with someone I don't know because I don't

26 want to get in any trouble or do anything... I'd like to do everything right so if you're familiar with the

27 way those things work, I'm glad to work with you." BOVIS apologized again for mentioning the \$5,000

28 and said he told CHS-87857, "I was going to do that myself, you know, and she didn't even accept it

1 anyway... no, she [UI] she ended up calling me back and to be honest with you, believe it or not, some  
2 people do stuff [UI] because they think it's the right thing to do too, you know? I know that sounds a  
3 little far-fetched but it is true... I've done things, I really have a lot of time and money to helping the  
4 Chinese hospitals for the city and these people do believe in community, you know? In the business  
5 world you don't really believe in that." BOVIS continued, "I just wanted to be careful how I presented it  
6 because if you say you are going to do this for that, you're in the danger zone. But if I say this for, you  
7 know, benefit for that, that's ok. It's just how you word it."

8 115. In my training and experience, I believe BOVIS was telling UCE-7982 that they needed  
9 to be careful with their language in order to retain a plausible basis to deny that their payments were  
10 made in exchange for official acts.

11 116. On April 6, 2018, at approximately 3:39 p.m., CHS-87857 made a recorded call to  
12 BOVIS. BOVIS told CHS-87857 that he spoke with NURU and others and they want to do the project  
13 for them and there is nothing involved where they need to help. BOVIS thought UCE-7982 was  
14 aggressive with money and BOVIS stated it was not necessary at that level. BOVIS stated it was his  
15 fault for mentioning the money and it was his idea, not something NURU needed, and BOVIS wanted to  
16 "make sure I don't get anyone in trouble or something." BOVIS said, "They don't need any, you know,  
17 money up front or anything like that. I thought that would help but it's not necessary." BOVIS said it  
18 was a mistake he mentioned the money idea and that he should have never said that "because it gets a  
19 little weird" and they "have really big positions." BOVIS added, "You know, I take them out to dinner  
20 and do stuff like that, that's all. You know, normal business stuff is fine. They like that." The  
21 conversation concluded with BOVIS asking CHS-87857 questions about UCE-7982 and explaining his  
22 concerns. This conversation stands in contrast to BOVIS's statements to UCE-7982 about providing a  
23 payment to NURU on the "back end" that would be deducted from his licensing fee. In my training and  
24 experience, I believe BOVIS had become worried CHS-87857 and UCE-7982 might be working with  
25 law enforcement, and wanted to cover his tracks by claiming no payment would be made.

26 **(iii) BOVIS Distances Himself From UCE-7982**

27 117. On April 10, 2018, at approximately 10:32 a.m., CHS-87857 made a recorded call to  
28 INDIVIDUAL 3. INDIVIDUAL 3 stated he had been speaking with BOVIS and would like some

1 background on UCE-7982. INDIVIDUAL 3 mentioned that the source of the money is always a concern  
2 because he wants to make sure it's clean money. INDIVIDUAL 3 also stated that he was concerned  
3 about UCE-7982 because UCE-7982's holding company is very new and was formed as of this year,  
4 and CHS-87857 said they had worked with UCE-7982 for about a year. INDIVIDUAL 3 said he would  
5 ask UCE-7982 questions, "[b]ut I was just concerned because I want to make sure that, you know, we  
6 have worked with you last year, and as we are going forward here, I want to make sure, you know, this  
7 is a new person that was interjected. And Nick was having some hard time trying to explain who he is,  
8 what he is, what his role was. But I understand very clearly the private equity issue. I understand the  
9 funding issue from the banks very clearly. I just want to get, kind of, a grip on [UCE-7982] here and his  
10 company..." INDIVIDUAL 3 said he would call UCE-7982 but he wanted to speak with CHS-87857  
11 first.

12 118. INDIVIDUAL 3 summarized the information CHS-87857 provided regarding UCE-  
13 7982. CHS-87857 asked if there was a problem and INDIVIDUAL 3 said they were checking because  
14 they looked into UCE-7982's information and couldn't find anything. For example, his company was  
15 filed this year, the company was brand new (which would make sense if it was a private family) his  
16 telephone number was cell phone only, there was no office number or office number on the website, and  
17 his website was brand new.

18 119. INDIVIDUAL 3 stated, "It's kinda like an invisible person and I wanted to know a little  
19 more about him." INDIVIDUAL 3 again referred to UCE-7982 as an invisible man and said his  
20 "greatest suspicion is that his telephone number is a pre-paid cellphone number with a billing address in  
21 [out-of-state city] to an apartment complex with no apartment number... so that means no bill is mailed,  
22 he just reloads the phone with a private, reloads the phone when he needs to have service. And that's my  
23 biggest concern." INDIVIDUAL 3 said BOVIS was nervous and asked, "Who is this guy?" Based on  
24 my training and experience, I believe INDIVIDUAL 3 was concerned that UCE-7982 was not who s/he  
25 claimed to be, and was concerned that UCE-7982 might be working for law enforcement.

26 120. INDIVIDUAL 3 continued with his concerns and told CHS-87857 they had a private  
27 investigator look into UCE-7982. INDIVIDUAL 3 will speak with UCE-7982 with BOVIS and wants  
28 "to be sure of what we got coming in, and that it's all, you know, legitimate, and, you know, done above

1 board, and legally and all that stuff. So, that, um, which is my focus.” INDIVIDUAL 3 said BOVIS  
2 came to him and said “Hey [INDIVIDUAL 3], I met this guy and I ran out the company, and it doesn’t  
3 seem to be there.” BOVIS wanted to know a little more about him because he was a bit pushy and  
4 intense. Per INDIVIDUAL 3, BOVIS said to himself, “Hey, what is this? I need to know more and be  
5 more comfortable with him.” INDIVIDUAL 3 said he would call UCE-7982 and ask him about his  
6 business, which he did on April 13, 2018.

7 121. On April 18, 2018, at approximately 1:00 p.m., CHS-87857 made a recorded call to a  
8 conference call line with BOVIS and INDIVIDUAL 3 already on the line. CHS-87857 asked for an  
9 update and BOVIS said AIRPORT COMMISSIONER 1 has not called back and said they ran out of  
10 time. Also, UCE-7982 was concerning them.

11 122. BOVIS stated, “In order to do this airport thing, you have to show the finances, and he’s  
12 as a broker, whatever he’s doing, he’s not even a legitimate business. He has no, he’s a, he’s a ghost.  
13 There’s no, he just has a recently new number, a new domain name, a new email. Just created in March.  
14 So it’s sort of hard to, we’re going to waste our time if we go before the airport with him as our  
15 finance.” CHS-87857 explained he was not concerned about the finances and bidding process.

16 123. BOVIS replied, “This [UCE-7982] guy got me nervous, the way he was doing this. I just  
17 don’t feel comfortable working with him. I’m sorry about that but he’s uh, like, fake business card, fake  
18 things, started asking a lot of questions, made it seem a little bit squirrely.” CHS-87857 said he would  
19 still like to work with BOVIS. BOVIS responded, “Yeah, me too. So if we can do it without him, but  
20 I’d like to know more, a little more about him just to clear the table, because this guy came out of the  
21 blue, from nowhere, and no, he doesn’t exist. So it’s a little frightening to work with someone who is  
22 like that.”

23 124. CHS-87857 asked INDIVIDUAL 3 if he researched UCE-7982. INDIVIDUAL 3 said he  
24 did. “He did call me, because I called him and left a message. When he talked to me I asked him where  
25 are you located, where’s your business office? He didn’t want to give it to me, he said ‘I’m in Florida  
26 but I’m never there.’ I asked him, I said, ‘what’s the source of the funding?’ I asked him if he was a  
27 placement agent; and he got a little upset by that. I said where’s your funding coming from, and then he  
28 says ‘a private, a wealthy private family in Florida.’ And I asked him, I said ‘ooh, great, would you be

1 willing to share that information?' He says 'no they want to remain anonymous.' So, you know, I was  
2 trying to, because I want to verify who he is, you know, we're very concerned reputation-wise that  
3 money would be coming from you know, a cartel or any situation like that, and he just, kept, more  
4 saying 'I don't know you, I haven't met you, where did you come from, who are you?' those kind of  
5 things to me. And I explained that [BOVIS] and I work together on other projects and we're partners  
6 and [BOVIS] had asked me to look into him. And I wanted to get more information. So we know his  
7 website was opened in March in [another city] and in fact it was opened after [BOVIS] had first met  
8 with him, and the phone is, according to the private investigator, the phone is like I told you before is  
9 just one of those pre-loaded phones. We can't, the investigator's databases couldn't find on the  
10 information they had, could not find a location for that company or anything listed for [UCE-7982]. And  
11 basically, he's a ghost. If we had a social security number, or a driver's license number, or date of birth  
12 we could probably do a lot more." BOVIS added, "Or the name of the business." INDIVIDUAL 3  
13 continued, "Yeah, what is the real name of the business? And where is it registered as a business?"

14 125. CHS-87857 said he would contact UCE-7982 to see if he can respond to their questions.  
15 CHS-87857 asked if there was still room for an extension. BOVIS replied, "Yeah, I believe I can do  
16 that, if it's just with us. But if you could do me one favor just to clear this up, all we need, is like, do you  
17 have a number you've talked to him before from, like an old another phone number before he got this  
18 number, or an email or anything, like, how you met him or anything like that?" CHS-87857 said he  
19 would get BOVIS that information and BOVIS said, "then I'll work on extending it... I'll work on  
20 trying to extend the thing for at least three weeks." CHS-87857 asked BOVIS and INDIVIDUAL 3 what  
21 information they wanted. INDIVIDUAL 3 replied, "Who are we dealing with is the issue. And that's  
22 what was the concern. I have not met him, so ... that was the concern." BOVIS added, "You can do your  
23 money thing. But we need to clear up it's not like we said some kind of funny money or something,  
24 because we have to go into the airport you know it's the government and we don't want to get any  
25 problems with that, that's all." CHS-87857 said he would contact UCE-7982 and asked BOVIS to  
26 determine the status of the project. BOVIS said he would do that and stated, "If you can just find out  
27 about that and make us a little more comfortable with what happened with him. Got a little worried,  
28 that's all."

1 126. On April 23, 2018, at approximately 1:49 p.m., CHS-87857 made a recorded call to  
2 BOVIS. BOVIS told CHS-87857 that INDIVIDUAL 3 was also present during the call. CHS-87857  
3 asked about INDIVIDUAL 3's recent text and the status of the lease. BOVIS said "we have a really  
4 good chance of doing it" but they can't extend the May 2 deadline. CHS-87857 was disappointed  
5 because they missed the opportunity and said he is going down to Florida to check out UCE-7982's  
6 address. BOVIS stated he was concerned about UCE-7982's address, the "throw phone from, you  
7 know, Metro PCS," and that the domain name was recently created. CHS-87857 said he would obtain  
8 information and provide it to BOVIS. BOVIS was appreciative because he wanted to know whether  
9 UCE-7982 is legitimate businessperson and stated, "it gets a little squirrely when you know, when we  
10 deal with someone who's, uh, going to be a ghost." BOVIS stated he will definitely work with CHS-  
11 87857 on the next RFP, and if he can qualify UCE-7982 they'll work with him too, but right now it's a  
12 "little strange." BOVIS apologized but said to work with people they need to know they are "all right."

13 127. On April 27, 2018, at approximately 7:02 a.m., CHS-87857 made a recorded call to a  
14 conference call line with BOVIS and INDIVIDUAL 3 already on the line. CHS-87857 said he met with  
15 UCE-7982 in Florida and described his office space. CHS-87857 said he was comfortable with UCE-  
16 7982 and s/he answered a lot of the questions BOVIS and INDIVIDUAL 3 had. INDIVIDUAL 3 stated  
17 that BOVIS was uncomfortable with UCE-7982 and asked, "Who really is this guy? What is his history  
18 and who does he represent?" CHS-87857 explained that UCE-7982 worked like an account  
19 representative for multiple wealthy families. BOVIS was concerned because he was not registered and  
20 that there was nothing in UCE-7982's name.

21 128. CHS-87857 said he was disappointed because it was too late for this RFP, but said he  
22 was interested in working with BOVIS and INDIVIDUAL 3 either with UCE-7982 or with traditional  
23 financing. BOVIS said he felt uncomfortable and INDIVIDUAL 3 said that although he did not meet  
24 UCE-7982, he had a short conversation with UCE-7982 and believed s/he was not forthcoming. BOVIS  
25 told CHS-87857 that "working with you has been a pleasure, I mean, and I want to do it. I just got a  
26 little worried with [UCE-7982], that's all."

27 129. BOVIS said it was not his business if CHS-87857 wanted to work with UCE-7982 but  
28 that he, BOVIS, did not feel comfortable working with UCE-7982 because UCE-7982 was not licensed

1 or registered as a placement agent. (This stands in stark contrast to BOVIS' previous concern that he  
2 expressed to the UCE on April 5, 2018, that it might be part of an "FBI sting.") BOVIS said they would  
3 see whether Lease #5 got postponed for now, or if they would wait for the next one, but he still felt  
4 uncomfortable about UCE-7982. INDIVIDUAL 3 said the current situation is that UCE-7982 should  
5 never have come out to San Francisco, and that UCE-7982 acted in a manner that caused BOVIS to  
6 become suspicious, which led to them discovering that UCE-7982 "has no footprint."

7 130. CHS-87857 responded that if they were not comfortable they did not have to use UCE-  
8 7982. INDIVIDUAL 3 said the headline risk was that if there was a deal at the airport and UCE-7982  
9 was financed by the president's family, it would be big news. INDIVIDUAL 3 further explained that  
10 they did not want it to be cartel or organized crime money either. CHS-87857 said he did not think any  
11 of that was an issue and asked BOVIS to talk to AIRPORT COMMISSIONER 1 to identify the next  
12 opportunity so they can get a head start. BOVIS concurred.

13  
14 **(iv) Renewed Contact: NURU Meets with the Confidential Sources in his Office**

15 131. Notably, the confidential sources renewed contact with NURU in February 2019 and  
16 NURU agreed to meet with them. After CHS-87857 texted NURU about setting up a meeting to discuss  
17 business opportunities in San Francisco, NURU responded and suggested CHS-87857 meet NURU in  
18 his office in San Francisco City Hall. NURU met with CHS-87856 and CHS-87857 on February 13,  
19 2019 inside NURU's office, which is inside the Department of Public Works office suite in City Hall.  
20 The meeting lasted approximately forty-five minutes. Based on my training and experience, I believe  
21 this shows NURU had not withdrawn from the SFO Scheme by the time of the April 4, 2018 meeting  
22 (discussed above) and was not bothered by the discussion of a bribe with one of the confidential sources  
23 on that date. If he had objections to bribing a public official, I believe NURU would not have agreed to  
24 meet with the confidential sources again, and certainly not in his office in City Hall.

25 132. During the meeting CHS-87856 and CHS-87857 asked how they could expand their  
26 business in San Francisco, specifically as to the San Francisco Airport and the Transbay Terminal. CHS-  
27 87857 said he talked to the executive director and a real estate person regarding the Transbay Terminal  
28 and NURU said CHS-87857 should continue to talk to the real estate people "because they're the people

1 that are handling the leases and spaces...that's who we hired to do that." NURU said he does not run the  
2 day-to-day operations of the terminal, but "if you need help, I will call [TJPA EXECUTIVE 1] and say  
3 'Hey, you know, help these guys' or or 'what's going on, why can't they get what they want?'" When  
4 CHS-87857 asked "So you get in there? You can help?" NURU responded "A little bit, yeah, if it's  
5 there."

6 133. When they discussed possible airport concession contracts, NURU said he had another  
7 possible contact at the airport, rather than AIRPORT COMMISSIONER 1, because he had not seen  
8 AIRPORT COMMISSIONER 1 except for at one event recently. CHS-87857 said "the airport is our  
9 main focus, right? And we wanted to kind of talk to you and see if you can, there's anybody you can  
10 send us to, or if there's anything that you can do to help us just get back into that, into the winning circle  
11 over here. You know, I know they [new concessionaire bids] are going to be coming up. I know there's  
12 going to be opportunities coming up and." NURU cut off CHS-87857 and said "so let me know when  
13 you." CHS-87856 then cut off NURU and said "We need to plan before." NURU responded "I know,  
14 but when it comes up...you need to know what you're doing and follow it...the good thing about this  
15 city is we're transparent, so I guess you know what's happening."

16 134. Later in the meeting, CHS-87857 said he needed "someone on the ground here to kind of  
17 help us with local brands, so we need to hire somebody. Do you have any, a good person we can hire,  
18 uh, that can be our eyes and ears down here...like our consultant down here?" NURU responded "Yeah,  
19 you know, I kind of know what you need, but I need to." CHS-87857 then said he would send NURU  
20 some information on his business and NURU responded "Then I can figure it out, like... 'cause I want to  
21 get somebody who you can trust." Later in the meeting NURU reiterated this and said "Let me get you  
22 the right partnership." When CHS-87857 asked where he should send NURU his business information,  
23 NURU responded "personal email" and provided his personal email address. Based on my training and  
24 experience, the context of this meeting, and the prior contacts between NURU and the confidential  
25 sources that involved discussion of a \$5,000 bribe, I believe NURU was telling CHS-87856 and CHS-  
26 87857 that they needed to hire a consultant who they could trust because that person might have to  
27 provide benefits or pay bribes to officials in order to get certain city contracts. Furthermore, I believe  
28 NURU was trying to conceal his involvement with CHS-87856 and CHS-87857 from public disclosure

1 laws that applied to his official email address because he knew he should not be involved in this kind of  
2 conduct and, for that reason, was instructing the confidential sources to use his personal email rather  
3 than an official government email that would be subject to public disclosure.<sup>10</sup>

4 135. Toward the end of the February 13 meeting, CHS-87857 said “next time we gotta make  
5 sure to go out to dinner” and NURU responded “no, we will, yeah, it’s just, we have to book way in  
6 advance, that’s the problem...I wanted to go, and you know, it’s like God man, I can’t figure it out. It’s  
7 been crazy. I’ve been up since seven o’clock.”

8 136. As the meeting concluded, NURU asked CHS-878576 and CHS-87857 how their  
9 relationship with BOVIS was and they responded that it was good, but BOVIS was too busy for them.  
10 NURU said BOVIS had been busy opening Lefty’s Ballpark Buffet, but “we’re trying to get it to work.  
11 It can’t really now...it’s not the season.” I believe this statement means NURU has an ongoing  
12 relationship with BOVIS and is still attempting to help BOVIS financially with his business, likely  
13 through NURU’s official position.

14 137. Based on my training and experience, I believe NURU has no legitimate official capacity,  
15 either in his position as the Director of the Department of Public Works, or as the Chair of the Transbay  
16 Joint Powers Authority (TJPA), to seek to help outside businesses obtain concession contracts in San  
17 Francisco. As detailed above, the bidding process at the airport is required by law to be a competitive  
18 process and any contact with airport commissioners or city officials, like NURU, with the intent to  
19 influence the process, is prohibited. Similarly, there is no legitimate reason for NURU to be using his  
20 official position to steer individuals (who have asked for his improper assistance in securing airport  
21 concessions) to invest in the Transbay Transit Center.

22 138. I believe NURU met with CHS-87856 and CHS-87857 because NURU believes he can  
23 benefit financially from helping them. This was the second time that NURU tried to push CHS-878576  
24

25  
26 <sup>10</sup> On February 22, 2019, CHS-87857 sent NURU an email that provided a link to a documents  
27 regarding CHS-87857's business. CHS-87857 sent NURU a follow-up text message on February 28,  
28 2019. NURU did not respond, but I understand (from other agents and my own experience with this  
investigation) that delayed communication was not out of the ordinary for communications between  
CHS-87857 and NURU. No further contact with NURU was attempted at the direction of law  
enforcement. I learned about these email and text contacts on April 9, 2019, after a conversation with  
another FBI field office.

1 and CHS-87857 toward business opportunities in the Transbay Transit Center. The first occurred in  
2 connection with discussion of a \$5,000 bribe to an airport commissioner (which BOVIS reported was  
3 NURU's idea) during meetings and conversations in March and April 2018. The March 19, 2018  
4 meeting underscores NURU's intent. Although the apparent purpose of the meeting was to help CHS-  
5 878576 and CHS-87857 rig their bid for an airport concession, NURU began by telling the group about  
6 the Transbay Transit Center, its size, and anticipated concessions opportunities. He also explained that  
7 he, NURU, was in charge of the project, shared confidential information from the last board meeting  
8 about recent negotiations for commercial space, and helped arrange a tour of the Transbay Transit  
9 Center for UCE-7982 and CHS-87856 (which occurred on March 20, 2018). NURU again pushed  
10 opportunities at the Transbay Transit Center during a meeting on April 4, 2018, with BOVIS, UCE-  
11 7982, CHS-87856, CHS-87857, and AIRPORT COMMISSIONER 1. Based on this prior conduct and  
12 the February 2019 meeting, and my training and experience, I believe NURU intends to use the  
13 Transbay Transit Center and his role as chair of the TJPA, and more generally his official position as the  
14 Director of DPW, as opportunities to corruptly exert his official influence to obtain benefits for himself  
15 and his associates.

16 **2. Multimillion-Dollar Mixed-Use Development Scheme**

17 139. Agents have intercepted numerous communications between NURU, BOVIS, and others,  
18 regarding NURU abusing his official position as director of DPW for material gain, in exchange for  
19 official actions. These communications about additional schemes further corroborate NURU's intent to  
20 corruptly use his official position in relation to the airport scheme, as well as underscore his pattern of  
21 fraudulent conduct. In particular, NURU appears to be attempting to use his official position to benefit a  
22 billionaire developer in China who is developing a large, multimillion-dollar mixed-use project in San  
23 Francisco, California. This individual has been identified by agents and is referred to here as  
24 DEVELOPER 1.<sup>11</sup> In exchange for travel and lodging, hi-end liquor, and other gifts and benefits, NURU  
25 claims to be working behind the scenes using his official position to help DEVELOPER 1 with getting  
26

27  
28 <sup>11</sup> The identification of DEVELOPER 1 is based on open source information, the name used in  
NURU's address book for this individual, and a personal photograph of NURU and DEVELOPER 1  
together in China.

1 the necessary city approvals to open the multimillion-dollar development.

2 140. DEVELOPER 1 first surfaced in the investigation in the late fall of 2018 when agents  
3 began to learn more about NURU's then-upcoming trip to China. During a call utilizing his cell phone  
4 on October 21, 2018, NURU talked to his girlfriend, GIRLFRIEND 1, about his pending trip and how  
5 he had to have a serious conversation with CONTRACTOR 2 regarding finances. CONTRACTOR 2 is  
6 a building permits expediter who is affiliated with NURU. NURU said, "I don't know, just keep on  
7 investing. I mean I'll be having a serious talk with [CONTRACTOR 2] on this trip... Yeah, but you  
8 know, [CONTRACTOR 2] and [INDIVIDUAL 4], those two, they're nice people, but they are very  
9 shrewd businessmen, so you have to be careful with them. They're very (silence)... Yeah, but people  
10 like [INDIVIDUAL 4] and [CONTRACTOR 1], like if they made a hundred thousand, they'll give you  
11 like two... Yeah, because they just ethically, they just you know, that's how they make money. They're  
12 very shrewd. I mean [INDIVIDUAL 4] and [CONTRACTOR 2] are like that... Yeah, that's how they  
13 are, they're just, that's just, I mean they're nice people but that's how the business model in their head  
14 works... Well you have to be um, you have to be clear on the dealings and when you start having those  
15 conversations with them they start getting nervous and they try to stay away from (UI)... That's why  
16 both of them get along very well because they have the same type of thinking... And [CONTRACTOR  
17 1], he used to work, he's worked for both of them and he wasn't, he wasn't a (UI) until he left them."

18 Based on my training and experience, and the context of this call, I believe NURU wants to be as  
19 successful as CONTRACTOR 2 and believes that he can talk more freely with CONTRACTOR 2 in  
20 China. As discussed in further detail below, I believe CONTRACTOR 2 has paid for or subsidized part  
21 of NURU's trips to South America and China in 2018. I believe that CONTRACTOR 2 provides these  
22 benefits to NURU so that NURU will use his official position to help CONTRACTOR 2 when needed.

23 141. On November 4, 2018, at approximately 9:21PM, NURU called GIRLFRIEND 1. NURU  
24 told GIRLFRIEND 1 about his trip to China that he just took with his daughter and CONTRACTOR 2.  
25 NURU described for GIRLFRIEND 1 the many gifts he received during this trip. NURU said that unlike  
26 on the way to China where he flew in first class, this time NURU flew business class back to San  
27 Francisco. NURU began by telling GIRLFRIEND 1 about a wealthy friend of his who lived in China  
28 and how NURU and CONTRACTOR 2 stayed at his resorts during their vacation. NURU said, "Oh

1 boy, oof. We had a great time. Are you kidding? We had a great time. It was great. The last few days  
2 was just, it was almost, it was almost a little scary because we had agents you know, like when we went  
3 to the to, outside our hotel room, they had guards outside our hotel room. (laughs)... You know my  
4 friend that has the plane?... Well I have a friend that has a, he's the fifth richest guy in China... I know  
5 him through [CONTRACTOR 2], but anyway, so he's really rich, I mean, he's like, anyway we went to,  
6 we had uh we had dinner with him on, what day was that? On Friday, oh no we had lunch with him on  
7 Friday and they ask 'so hey, what are you guys doing for the rest?' We told him we were going to this  
8 little hot spring town where they have these hot springs and stuff... And he's like 'No, you're going to  
9 my hot spring.' (UI) his people on the phone making phone calls and he has his (UI) he says 'My van is  
10 outside to take you to my resort'... And we get there and they're like all these people, all these like  
11 agents with things in their ear and stuff all waiting for us. We like 'oh shit, what's going on  
12 [CONTRACTOR 2]?' (UI)... Yeah, thing is we get there, they take us to our rooms and everything and  
13 they're, everybody's in their room and then as soon as I come out, they're like still outside our room. I'm  
14 like 'Oh man, what's going on?' And then they're like 'Uh, in ten minutes we're going to go take a tour  
15 of the whole place' You know, then we took a whole tour and everything. They gave us (UI) it was a  
16 big, they have like a whole community center and basketball courts, swimming pools, yoga... Yeah, he  
17 owns the whole, the whole spa and the hotel. Yeah and he has many. He has a hundred and five, five-  
18 star hotels in China... Yeah, we stayed, we stayed in uh we stayed at uh Seven Star Hotel, he owns it,  
19 Conrad, and then we stayed at the Park Hyatt, he owns that one. And the last time I went with grandma  
20 we stayed at the Ritz-Carlton, yeah... Yeah actually, he even told us, he told us, you know, 'did I send  
21 you some pictures of like this mansion that we went to?'" NURU continued, "Oh, no this was uh,  
22 anyway, we went to this mansion. He has like a mansion, it's like the White House. It's worth billions of  
23 dollars, like (UI) and art and Chinese paintings... This is the guy that uh, bought the, did I tell you  
24 about a guy that bought 2,000 acres in [Bay Area city]? He wants to build... He wants to build a (UI)...  
25 Anyway, he's got a lot of real estate in America. He the guy we uh, when we had we had dinner at his  
26 house, we had like the Vice President of [FOREIGN COUNTRY 1] there, when we had, we sat at...  
27 Yeah that's [DEVELOPER 1's] house, but apparently he doesn't live there because it's too, you know, he  
28 lives on, he has four floors on the top of the Ritz-Carlton. He told me the other day, when we had lunch

1 with him. He says 'Oh I live here. (UI) four floors on the top here.' I was like, 'Oh.' 'This is where I  
2 live, but people think I live in that place. I don't live in that place.' (laughs)."

3 142. NURU said he uses WeChat to communicate with DEVELOPER 1.<sup>12</sup> NURU then told  
4 GIRLFRIEND 1 about how he is helping DEVELOPER 1. NURU said, "I'll send you a picture. He's a  
5 very nice guy. We're helping him, I'm helping him with a project here, San Francisco. So whenever he  
6 comes, I always go to see him. I didn't know and I know he has this plane, I didn't know that, how big he  
7 was until I got to China." NURU then listed some of the gifts and benefits he received from  
8 DEVELOPER 1, "No we uh, we uh, we so when we arrive, we had a dinner with him and that night he  
9 gave us a tour of his house, uh me and uh [individual from FOREIGN COUNTRY 1] and everybody.  
10 His house, his house is just like a museum. He likes art. He's got like, in fact, he gave us, he gave us  
11 some stone. I don't know how much they're worth, I, you know, I put them in the ship to, I shipped them  
12 you know, they're gonna come in the ship. They're tons of money. I don't know what he, he he brought  
13 it to us. He gave me one and [CONTRACTOR 2] one and he had like a little flashlight and he was  
14 saying 'look at this, look at that.' He was showing things, I don't know what he was (laughs)... A little  
15 bit, oh oh let me tell you this. The night we were at his house, the drinks that we drank... that bottle  
16 was worth ten thousand dollars... Yeah, it's Maotai, but it's fifty-year-old Maotai... Yeah, and then and  
17 then on Saturday when we had lunch with him again, the bottle of wine was worth two thousand plus  
18 dollars. It was a French wine... I was like 'yeah' I was like 'Woh.' So I looked it up. It was like two  
19 thousand seventy dollars."<sup>13</sup>

20 143. NURU continued to talk about the free hotels DEVELOPER 1 had provided him on prior  
21

22 <sup>12</sup> WeChat is an application made by a Chinese company that allows for messaging and voice  
23 and video calls between users, among other features.

24 <sup>13</sup> State and local ethics and disclosure laws require officials like NURU to (among other things)  
25 report potential conflicts of interest and list the gifts they have received, including meals and travel,  
26 every year on a document known as a Form 700. If NURU were to follow these requirements, he would  
27 list, for example, all of the meals BOVIS paid for, the subsidized vacations he appears to have received  
28 from CONTRACTOR 2, the gifts he received from DEVELOPER 1, and what appears to be free or  
subsidized work he has received on his vacation home. Agents reviewed the Form 700 that NURU filed  
with the City electronically on March 26, 2019 at 5:38 PM. The disclosure covers January 1, 2018  
through December 31, 2018. The only gift listed is a bottle of red wine from Clark Construction, valued  
at \$89.99, which NURU stated he received on December 6, 2018. Based on my training and experience,  
I believe NURU's failure to disclose the many gifts he received in 2018 is knowing and willful, and is  
further evidence of his intent to defraud the public of honest services as well as his corrupt state of mind.

1 occasions. NURU said, "Yeah, but you know, this guy who stay at his hotels, you know, he's the one  
2 that gave us the hotel with uh grandma... Yeah this guy, you know he's, the guy with the hotels, he's  
3 been hooking, uh he's the one hooking us up... We don't, yeah, we don't uh we don't um we don't pay  
4 any hotel or anything. They take care of us. They give us good rooms and good service. You know we  
5 eat good breakfast (UI) morning... No all over the world. He owns some in America." GIRLFRIEND 1  
6 then asked, "But the ones we stayed in in South America? He owns those?" And NURU answered, "I  
7 don't know, I don't think he, I don't know if he has those ones. (UI) Yeah."

8 144. At this point in the conversation I believe NURU confirmed his recent vacations to China  
9 and South America were largely subsidized, and that he had received free hotel and resort  
10 accommodation, free food, and transportation throughout China, because of his assistance to  
11 CONTRACTOR 2 and DEVELOPER 1. I also believe, because GIRLFRIEND 1 asked if  
12 DEVELOPER 1 owned the hotels that she and NURU stayed at during their previous South America  
13 vacation, that those accommodations were similarly subsidized or free of charge. I believe that is why  
14 she assumed DEVELOPER 1 owned them.<sup>14</sup>

15 145. In the next part of the conversation NURU discussed the official actions he would take as  
16 Director of DPW to benefit DEVELOPER 1's project in San Francisco. Specifically NURU said that  
17 DEVELOPER 1, "he's the owner of uh [the multimillion-dollar mixed-use development], the project that  
18 he (UI)." And GIRLFRIEND 1 replied, "That [CONTRACTOR 2] was working on, yeah." And  
19 NURU continued, "Yup, and he's very upset about because he's, you know, he thinks he's lost, he's spent  
20 so much money and he's, you know, can't see the end of the tunnel... No, it's not done. So that was the  
21 meeting we had with him on Saturday. He had a whole list of things that we need to get done. We have  
22

23 <sup>14</sup> Agents are analyzing bank accounts for NURU and one of his daughters. A preliminary  
24 analysis has shown multiple cash deposits into the daughter's account. The daughter has also written  
25 checks and paid for multiple payments on NURU's San Francisco home mortgage, as well as making  
26 payments for NURU's construction costs for his vacation home in Lodoga. NURU also wrote two  
27 checks dated 9/18/2018 to another individual. One check was written for \$4,707.41 with the memo  
28 written as "s. america trip" and the other check was written for \$2,914.19 with the memo written as  
"China trip." Agents are investigating the identity of this individual and additional financial evidence  
related to these trips. However, based on my training and experience and the general cost of first class  
and business international airfare, I believe these checks do not fully cover the cost of NURU's trips to  
South America and China. In addition, neither one of these trips has been disclosed on NURU's most  
recent Form 700 (Schedule E of the Form 700 is used to disclose travel payments, advances and  
reimbursements).

1 to... He's bringing in a [RETAIL STORE 1] in there so they finally (UI)... Yeah, so he's you know,  
2 he's got a [RETAIL STORE 1] going in there now. They've worked out a lease with them. He's uh  
3 trying to make sure the windows are, the windows were made in Mexico and there's some kind of  
4 defect... So we're trying to get that all resolved with the, [senior official with San Francisco Department  
5 of Building Inspection (DBI OFFICIAL 1)] shop and Planning, a whole list of things that we need to get  
6 done... Oh yeah, but I mean, he doesn't you know, he doesn't give money or anything. He lets us stay  
7 in his hotels and stuff. He makes all the arrangements for us, which is good. And nice places.” Later in  
8 the conversation, NURU said that during the trip “we didn't have to do anything. We just, they just say  
9 ‘Hey nine o'clock, you know, meet downstairs’ and when we come there, there's a Mercedes waiting for  
10 us or a nice luxury van waiting for us.” GIRLFRIEND 1 asked if NURU’s daughter “start[ed] to get  
11 used to it like I got used to it?” NURU responded “Oh she she got used to it. She didn't have to think  
12 about money not one day.” Based on this call and previous intercepted calls, I believe GIRLFRIEND 1  
13 was referring to the trip to South America that she went on with NURU and CONTRACTOR 2 in  
14 October 2018. I believe that CONTRACTOR 2 and others subsidized NURU’s and GIRLFRIEND 1’s  
15 expenses for that trip. Records received from the Ritz-Carlton in Santiago, Chile, show the hotel  
16 reservation was under GIRLFRIEND 1’s name and that the room was paid for in cash. The room was  
17 occupied by two people. I believe the other person was NURU. The cost of their stay at the Ritz-Carlton  
18 was 800,400 Chilean Pesos, which is approximately equal to \$1,176 US Dollars.

19 146. NURU’s description of his arrangement with DEVELOPER 1 (that he helps  
20 DEVELOPER 1 with his San Francisco project in exchange for high-end accommodations and other  
21 benefits) was corroborated that same day by an encrypted WeChat message sent from NURU to  
22 DEVELOPER 1 on November 4, 2018 at 1:41 AM PST, shortly after NURU had received luxury  
23 accommodations from DEVELOPER 1 during NURU’s stay in China. The message from NURU  
24 stated: “Thank you very much for all your generosity while we were in China. We had a great vacation  
25 and my daughter had a wonderful time. I will do my very best to see that your project gets completed.  
26 Look forward to seeing you in San Francisco when you come.” DEVELOPER 1 responded the next  
27 day: “You’re welcome and thank you so much. Looking forward to seeing you in San Francisco.”

28 147. Based on open-source information, the project is a condominium complex with retail

1 planned for the first floor. According to publicly available documents the project experienced various  
2 construction delays. When NURU referred to "Planning," I believe he was referring to the San  
3 Francisco Planning Department or San Francisco Planning Commission. These entities handle approving  
4 various parts of construction projects in the city.

5 148. While NURU was in China, on October 24, 2018, at approximately 12:56 pm, NURU  
6 received a call from DPW EMPLOYEE 1. During this call, NURU asked "What's going on with  
7 [address for DEVELOPER 1's mixed-use project]?" and the individual responded that he heard the  
8 developers were dragging their feet. NURU said "I don't think so" and continued later by saying  
9 "there's an issue with the glass... Yeah, it's the glass, something about, uh, some detail that they were  
10 concerned about that was not safe or something." The call was minimized near this point. However,  
11 based on my training and experience, I believe NURU, in his official capacity as the Director of DPW,  
12 was using this call with a DPW employee to check on DEVELOPER 1's project in order to assist  
13 DEVELOPER 1.

14 149. A search of communications in NURU's personal email account also indicates he  
15 remained involved in moving DEVELOPER 1's project forward, both before and after his trip to China.  
16 These communication include: (i) a December 9, 2018 email from CONTRACTOR 2 advising NURU  
17 that DBI had provided notice that a temporary certificate of occupancy for DEVELOPER 1's  
18 multimillion-dollar, mixed-use project was on hold until the project sponsor completed installation of  
19 additional items; and (ii) a February 8, 2019, email from the personal email address of DBI OFFICIAL 1  
20 to CONTRACTOR 2, cc to NURU's personal email address, indicating that the official would attend a  
21 dinner with DEVELOPER 1 at a San Francisco restaurant later that month.

### 22 3. Transbay Transit Center

23 150. As noted above, NURU is also the Chair of the TJPA. The Office of Community  
24 Investment and Infrastructure (OCII) (the successor to the San Francisco Redevelopment Agency) and  
25 TJPA are developing the Transbay Transit Center through a competitive bidding process. In order to  
26 lease commercial space at the Transit Center, prospective tenants must submit an online Tenant  
27 Application. Following the application, the prospective tenant will need to submit a Letter of Intent  
28 which should include a resume, concept description, business plan, proof of capital, and two years of

1 business or personal tax returns. Deals are to be evaluated on a point system based on if a tenant is a  
2 local business, if it fits within the merchandising plan, and if the tenant has the operating experience,  
3 financial capital, and if the product offering will enhance the neighborhood. The TJPA has primary  
4 jurisdiction regarding matters concerning the financing, design, development, construction, and  
5 operation of the Transbay Program.

6 151. Intercepted communications on NURU's cell phone show that NURU and BOVIS have  
7 discussed NURU helping BOVIS receive a contract for one of BOVIS' restaurants at the new Transbay  
8 Transit Center (alternatively referred to as the Transbay Terminal). The paragraphs below summarize  
9 certain intercepted communications related to the scheme.

10 152. On November 13, 2018, at approximately 6:09 PM, NURU called BOVIS. During this  
11 call, they discussed the Transbay Terminal. BOVIS said "Um, but I was gonna ask you to about uh um  
12 wondering, I sent you the stuff for the uh (UI) let me port it over to the new email too. I'll send it to ya,  
13 from the ah real estate people at um Transbay Terminal." NURU said, "I'll talk to [TJPA EXECUTIVE  
14 1]." Based on my training and experience and the context of this call, I believe NURU was saying he  
15 would talk to TJPA EXECUTIVE 1 to help BOVIS.

16 153. On November 30, 2018, at approximately 5:49 PM, BOVIS called NURU. NURU and  
17 BOVIS discussed a variety of topics starting with a lease BOVIS is trying to get at the Transbay  
18 Terminal. BOVIS said, "Doing good, um, a couple things to ask you. Did you ever talk to the guy over  
19 at uh, the." NURU then interjects "Transbay?" BOVIS then affirmed and NURU said, "Yeah, I talked  
20 to him. I see the dialog going backwards and forwards, so." They then discussed the leases and spaces  
21 available at the terminal. NURU said when he talked to the people at the terminal they told him for  
22 what BOVIS wanted to do, certain spaces would not meet his requirements. I believe this shows NURU  
23 is taking an active role in trying to get BOVIS a space at the Transbay Terminal. NURU said to BOVIS  
24 when talking about his dealings with the Transbay people, "Yeah, I don't know, I don't know how to  
25 handle it because he, you know, he knows that I'm pushing on it..." Based on my training and  
26 experience, I believe that NURU was trying to be careful about pushing too hard for a lease opportunity  
27 for BOVIS and wanted to avoid raising red flags that might draw unwanted attention to his relationship  
28 with BOVIS.

1           154. On December 6, 2018, at approximately 1:30 PM, NURU called BOVIS and explained to  
2 BOVIS that TJPA EXECUTIVE 1 was also on the phone. The audio from the call indicates that NURU  
3 and TJPA EXECUTIVE 1 were utilizing the speakerphone function of NURU's cell phone. It also  
4 appears that the call was made from the privacy of NURU's office. Cell-tower location data shows that  
5 NURU's cell phone was in the vicinity of San Francisco City Hall. Agents have also confirmed that  
6 TJPA EXECUTIVE 1 was seen leaving the DPW office suite after the meeting in NURU's office would  
7 have concluded.

8           155. On the call, NURU explained to BOVIS that, "Okay, so, so [TJPA EXECUTIVE 1]'s  
9 here, so I guess we're trying to figure out what your situation is and trying to resolve it." BOVIS and  
10 TJPA EXECUTIVE 1 thereafter discussed BOVIS' top three choices for spaces to lease. BOVIS  
11 explained, "Yes, as of, as of right now the 119 is the preferable. That 121 was the one we really wanted  
12 but um they uh said they already signed the lease papers on that or they're in the process of doing it, and  
13 so they wouldn't present our offer...So 121, 119, 135." BOVIS also told TJPA EXECUTIVE 1 they  
14 sent in an offer, but was concerned the offer was never presented to TJPA EXECUTIVE 1. TJPA  
15 EXECUTIVE 1 reassured BOVIS, "Ok, I'm I'm aware of uh, I'm aware that you've submitted...I have it  
16 on my, I have it on my sheet, so let me follow up."

17           156. Based on the investigation and the substance of this call, I believe NURU is using his  
18 official position and influence as Chair of the Board of Directors of the TJPA to assist BOVIS in  
19 securing a commercial lease for one of his businesses in the Transbay Transit Center; namely, by  
20 arranging a direct meeting between BOVIS and TJPA EXECUTIVE 1. In exchange, I believe BOVIS  
21 was continuing to "take care of" NURU through kickbacks, free meals or other benefits in the same way  
22 that he alluded to as part of the Airport Scheme when, for example, he said during a recorded call on  
23 March 1, 2018, with CHS-87857, "I'll just, take care, I'll do it on my side with the, the head of DPW,  
24 the one who introduced us ... so I'll take care of that." BOVIS repeated the same thing during the March  
25 19, 2018, meeting at the Broadway Grill with UCE-7982, CHS-87856, and CHS-87857. When CHS-  
26 87857 asked BOVIS if NURU would want something in return for his help with the airport concession,  
27 BOVIS replied that BOVIS would do something for NURU, and that NURU was giving BOVIS more  
28 deals like the bathroom contract. BOVIS stated, "I'll take care of him."

1 157. On December 10, 2018, at approximately 4:40 PM, BOVIS again called NURU. During  
2 the call, BOVIS said, "I sent that guy our information. He's helping me. [TJPA EXECUTIVE 1]."  
3 NURU responded, "Oh good, good." NURU and BOVIS discussed how when [TJPA EXECUTIVE 1]  
4 called BOVIS, he said BOVIS' phone was not answering. After that BOVIS and NURU discussed the  
5 danger of the FBI monitoring their calls:

6 NURU: Every time he called you, he says "Guys doesn't answer. The phone doesn't answer.

7 I was like, what do you mean the phone doesn't answer?

8 BOVIS: Huh, I don't know, maybe I have something wrong with my phone.

9 NURU: Yeah, and then, I said, "Well I wanna call him right now from my phone."

10 BOVIS: As long as, as long as nobody, nobody at the FBI is looking, listening to me, that's  
11 cool.

12 NURU: (laughs)

13 BOVIS: (laughs) Maybe (UI) my phone's protected

14 NURU: (laughs) You make me paranoid man

15 BOVIS: I know, no, no, I'm joking.

16 NURU: I'll send you that information. I'll send it to you right now.

17 158. I believe this shows BOVIS and NURU know what they are doing together is illegal. As  
18 described above in connection with the Airport Scheme, this is not the first time BOVIS expressed  
19 concern about the FBI investigating his conduct.

20 159. The same conversation continued when NURU asked BOVIS, "[ARCHITECT 1] ever  
21 get back to you?" BOVIS responded, "Yeah, he did, and I told him, uh, yeah, so I told him, I, I, I'll tell  
22 you about it... He has a solution now too for you... He said um, he said he figured out how to do it  
23 correctly... That way he can be um, uh, 'cause he won't be the architect on, um, the paper... 'cause he'll  
24 be the design, the right, uh the design consultant for you." NURU said "I like that, yeah... oh I can get  
25 somebody to stamp the drawings. Tell him not to worry... I can get somebody to stamp it, yeah, I got it,  
26 I can get people to stamp it for him... yeah, he shouldn't worry about that." Based on my training and  
27 experience, and the context of this call, I believe NURU asked BOVIS if ARCHITECT 1 contacted  
28 BOVIS again. Previous intercepted communications reveal that ARCHITECT 1 is an architect working

1 with BOVIS to design temporary homeless shelters for a city contract. Intercepted communications also  
2 indicate that he is supposed to be involved in work on NURU's vacation home. I believe this call shows  
3 NURU and BOVIS attempting to hide ARCHITECT 1's involvement as an architect because of the  
4 benefits NURU is receiving.

5 **4. Bathroom Trailer Scheme and Homeless Container Shelter Scheme**

6 160. In November 2017, San Francisco DPW released a new set of portable public toilets  
7 designed to look like the iconic San Francisco Painted Ladies houses. In 2018, DPW was funded to  
8 purchase more bathroom trailers. As described below, NURU gave BOVIS inside information regarding  
9 the specifics of the project and had one of his DPW employees, DPW EMPLOYEE 2, deal with BOVIS  
10 regarding the specifications.<sup>15</sup> During this call, BOVIS assured NURU that he never sends any emails to  
11 NURU at his government email address. NURU then told BOVIS to always use NURU's personal email  
12 address, which could be "anybody." NURU then directed another DPW employee, DPW EMPLOYEE  
13 3, to assist BOVIS with the project. DPW EMPLOYEE 3 told BOVIS that NURU put him in charge of  
14 it and that DPW EMPLOYEE 2 was still the main guy but DPW EMPLOYEE 3 would oversee  
15 everything. To complete the project, BOVIS is working with a husband and wife construction/designer  
16 team. BOVIS and the team have discussed the specifications and requirements from the email sent from  
17 DPW EMPLOYEE 2 at DPW. Notably, during one conversation with BOVIS, one of the members of  
18 the team asked about other bidders and the due date of the bid. BOVIS replied the bid was "just a  
19 formality."

20 161. NURU and BOVIS appear to have a similar arrangement for a project involving the  
21 construction of small container-type portable housing for the homeless. A summary of pertinent  
22 communications regarding these schemes follows below.

23 162. On July 3, 2018, at approximately 5:42 PM, BOVIS received a call from NURU. Both  
24 were using their cell phones. NURU and BOVIS talked about the project for providing the city with  
25 portable public toilets for the homeless. BOVIS said, "Good how are you, I got my email from [DPW  
26 EMPLOYEE 4], so I responded back to him." NURU replied, "Oh good, but also I need you to. I'm  
27

28 <sup>15</sup> As a restaurateur, BOVIS has no apparent construction expertise that would be relevant to these projects with DPW.

1 confused on the specs for the bathroom. Have you talked to John? I don't know if it's a wooden one, he  
2 asked me if it's a it's a wooden one or a metal one (UI)?" BOVIS replied, "No, it's the same one we just  
3 made it uh more cost effective, we modified it a little bit." NURU said, "Yeah, yeah I need to get a copy  
4 of the one...the spec that you have... I can give it to him because he's sayin' is it the wooden one or is it  
5 the metal one? I said, I don't know which one it is... Cause I want to give it to him because I need, I  
6 need five right now." BOVIS said, "Yeah, no I wrote the spec perfect for you. I got 'em all, uh." NURU  
7 replied, "But we have to send it over to [an associate's] shop." BOVIS laughed and said, "Yeah, alright  
8 no problem. Alright... Yeah, yeah sorry if I didn't cc you on it I thought I did, but do you want it to  
9 [NURU's personal email address] or to the department?" NURU said, "Well if you're gonna put me on  
10 the e-mail..." BOVIS replied, "Okay don't put you on the email?" NURU said, "Yeah, just send it to  
11 [DPW EMPLOYEE 2] just tell him you know, here are the specs for the new trailers, I heard you're  
12 going to be needing five." BOVIS said, "Okay, and that at the same time I'll (UI) to [NURU's personal  
13 email address] right?" NURU replied, "Yeah, you can do that. Yeah." BOVIS said, "Okay, that way it's  
14 the family one. Okay, got it." Based on my training and experience, and the context of this call, I believe  
15 BOVIS and NURU are working on a project to supply the city with portable public toilets for the  
16 homeless. I believe NURU has influence or control over these contracts and the reason he does not want  
17 BOVIS to email him on his work email is because NURU wants to conceal his involvement in the  
18 project because he is receiving items of value from BOVIS in exchange for official action.

19 163. Later during the call NURU discussed the funding available for the portable public toilets  
20 project. NURU said, "Okay well, I guess they definitely need five and I have the money out." BOVIS  
21 replied, "Yep, we're ready, I'm ready. As soon as they get that. I'll send over the specs to you again. I put  
22 a separate letter to him." NURU said, "Yeah, we need them now because we have uh, we have funding  
23 for five new locations (UI)." BOVIS said, "Twenty minutes, you'll have it."

24 164. BOVIS and NURU then talked about another project, where BOVIS would be providing  
25 the city with portable homeless shelters. BOVIS said, "And I talked to [DPW EMPLOYEE 4] twice now  
26 on the email, so uh. He asked me if I need electricity at the site. I'd rather have electricity because it  
27 costs more to do solar and stuff." NURU said, "Okay that's fine... Yeah he's going to find a place for  
28 you... I think on Mission Street in the courtyard (UI)... and we'll let homeless sleep in it and test it out."

1 BOVIS said, "Yep, that's what you got to do and make sure everything works good... I, I got to write, I  
2 think I can do it myself but I write a letter of intent to the companies they may give it to me for free but  
3 if I had a letter from you guys that's like a letter of intent that we're looking into this and we may buy it  
4 but I can do it from the SMTM company, so that'll probably be easier." NURU said, "(UI) can write you  
5 a letter if you need one. That's fine." BOVIS said, "Okay yeah, because if I have one from him then we  
6 look like that were more... ah... that we got a serious, uh they can donate the, um, panels so we can build  
7 the first one for a lot cheaper." NURU replied, "Okay yeah he can write you a letter. He can write you a  
8 letter."

9 165. On July 5, 2018, at approximately 4:33 PM, BOVIS received a call from NURU. BOVIS  
10 told NURU that DPW EMPLOYEE 2 wrote the specifications for the portable public toilets and that he  
11 "just copied it for the old camper ones, you know they didn't say anything about the Victorian, they just  
12 copied the old um spec from the older one so, uh, I'm having them red-line it, and make it so it's for the  
13 Victorian." BOVIS asked NURU if DPW EMPLOYEE 2 wanted metal studs or if it would be alright to  
14 use wood, and NURU responded, "Well follow him. He's kind of an equipment guy so... that's why I  
15 need you to work with him... well talk to him because once you and him agree then... then you know  
16 I'm already moving the money around so, yeah, yeah." BOVIS said, "Yeah, the one he wrote is um for  
17 the camper, you know fiberglass outside and for the ones that (UI)" and NURU responded, "Change it,  
18 change it." BOVIS stated, "Okay I'll change it all." And NURU replied, "Yeah change it, yeah." BOVIS  
19 said he would submit a proposal with wood studs and NURU responded, "Well give him, yeah, tell him  
20 this is the one that you have, you know, um yeah, but you need to work it with him, I guess that... to be  
21 able to move it forward, yeah, yeah, because I'm pushing right now, so yeah, yeah... Tell him uh, this is  
22 this is a preferred one, yeah." Based on my training and experience, and the context of this call, I believe  
23 BOVIS may have improperly received information on this contract and NURU is helping push the  
24 contract toward BOVIS. To date, although agents have been unable to find any open RFPs or any  
25 contracts regarding this project, as discussed above, I believe NURU has influence or control over these  
26 contracts and the reason he does not want BOVIS to email him on his work email is because NURU  
27 wants to conceal his involvement in the project.

28 166. On July 5, 2018, at approximately 4:49 PM, BOVIS called an individual believed to be

1 DPW EMPLOYEE 3. DPW EMPLOYEE 3 told BOVIS he just left NURU and that NURU told him  
2 that “you and I should get together and discuss, you know.” BOVIS asked if DPW EMPLOYEE 3 was  
3 writing the specifications for the portable public toilets and DPW EMPLOYEE 3 responded “I, I, yes.  
4 He’s put me in charge of it so I’m gonna work with you so that uh, yeah, we get all the right material.”  
5 BOVIS asked about DPW EMPLOYEE 2 and DPW EMPLOYEE 3 said, “[DPW EMPLOYEE 2] is...  
6 he’s the main guy, but I’m gonna oversee everything... so he just wants me to, uh, to act in the middle.”  
7 BOVIS responded “Excellent.”

8 167. DPW EMPLOYEE 3 then told BOVIS “Please send me everything that you and [DPW  
9 EMPLOYEE 2] are working on so I know exactly what is going on so we get it right, you know?” Based  
10 on my training and experience, and on the context of this call, I believe NURU told DPW EMPLOYEE  
11 3 that he should work with BOVIS to ensure that BOVIS won the contract.

12 168. On July 5, 2018, at approximately 4:52 PM, BOVIS called one of the people working on  
13 the design for him. BOVIS began the conversation by saying, “Hey...uh, you guys must have been  
14 praying because I’ve got some better news. I talked to Mohammed... Yeah, and I, I told him that the  
15 specs that you got, you just copied and pasted from before right... So I talked to his other guy [DPW  
16 EMPLOYEE 3], not [DPW EMPLOYEE 2], but the other guy who is overseeing... [DPW EMPLOYEE  
17 2] is his boss, but, I said we are going to rewrite the specs and send them to ya and use those specs, so  
18 um, he’s gonna help me do that so, put it back to wood, so um, if they push back, then we’ll go to  
19 metal.” The individual responded, “Okay, so we’re, so we’re kinda pushin’ back right now with our  
20 answer and it’s becoming a dialogue kind of. That’s what I wondered what was happenin’ because the  
21 whole (UI).” BOVIS asked the person if he had talked to anyone about it and he said he had not talked  
22 to anyone yet. BOVIS responded “Oh good.” Based on my training and experience, and on the context  
23 of this call, I believe BOVIS used his possible inside knowledge about the portable public toilets project  
24 to his advantage in designing his proposal.

25 169. On July 6, 2018, at approximately 1:15 PM, BOVIS sent an SMS Text Message to DPW  
26 EMPLOYEE 3. BOVIS said, “Can you send me your email Thank you nick Bovis.” DPW EMPLOYEE  
27 3 responded with a reply SMS Text Message at approximately 1:28 PM with his official sfgov.org email  
28 address. BOVIS then replied, “I just sent you correct specs” DPW EMPLOYEE 3 then texted back, “ok

1 – will take a look soon as I get into office – thx” Based on my training and experience, and the context  
 2 of this text message exchange, I believe DPW EMPLOYEE 3, at the direction of NURU, is assisting  
 3 BOVIS with the portable public toilets project. Based on my training and experience, and the context of  
 4 this communication, I believe BOVIS and DPW EMPLOYEE 3 emailed each other about this project in  
 5 order to enhance the chances that BOVIS’ bid was accepted.

6 170. On July 9, 2018, at approximately 8:33 AM, BOVIS received a call from one of the  
 7 individuals working on the design for him. They discussed construction specifications for the portable  
 8 public toilets project and whether they should be using wood or metal and the costs associated with  
 9 each. The person asked if the price was “stuck at 65” and BOVIS said he would find out.

10 171. On July 19, 2018, BOVIS called one of the individuals working on the design for him  
 11 and they discussed project specifications. The individual asked BOVIS, “... And when is the bid due  
 12 date as far as, I mean, we'll get it right back, but when is it due as far as everybody else having to submit  
 13 if they're going to?” and BOVIS responded, “Nobody else will be able to do it once I uh, um, it's just, it's  
 14 just a formality.” The individual stated, “A formality.” BOVIS replied, “But I have to, I have to make  
 15 sure it's like a, like you want it just say yes and exempt if it's anything. If they ask for the guy flying out  
 16 there and all that bullshit just say exempt or someone will send pictures or whatever...”<sup>16</sup>

17 172. I believe BOVIS has a similar arrangement with NURU regarding a homeless shelter  
 18 project. Based on intercepted communications, BOVIS appears to have reached an agreement with  
 19 NURU where NURU will ensure BOVIS wins the bid to construct homeless housing shelters.

20 173. For example, on August 10, 2018, at approximately 12:31PM, an individual working with  
 21 BOVIS on the homeless shelter project, ARCHITECT 1, called BOVIS to discuss a presentation for the  
 22 container shelter project. ARCHITECT 1 expressed his concerns about disclosing too much about their  
 23

24  
 25 <sup>16</sup> Based on public source information, I believe BOVIS has worked on the portable toilets  
 26 project in the past. Specifically, a press release in 2017 stated “...the custom-made, solar-power portable  
 27 toilet was a design and manufacturing collaboration between Public Works and Tiny Potties, an  
 28 enterprise owned by San Francisco entrepreneur Nick Bovis...” The website [www.tinypotties.com](http://www.tinypotties.com) has  
 Dignity Spaces listed on the top, various Victorian style building drawings and descriptions, and an  
 email address associated with BOVIS’s restaurant, copyright Dignity Spaces 2018 at the bottom. Per  
 searches of the California Secretary of State Business website, the San Francisco government website,  
 and open source searches, agents have not identified Tiny Potties or Dignity Spaces as incorporated  
 entities.

1 design with others. ARCHITECT 1 said, "oh no worries no yeah I got ah an email from [DPW  
2 EMPLOYEE 4] yesterday, and ah [DPW EMPLOYEE 4] and a team actually, and then I called and they  
3 desperately want the material, here's my only concern is uh, you know you met [INDIVIDUAL 5], ah  
4 part of our presentation, and he was with ah, some of the senior officials in the Oakland site reviewing  
5 the Tuff Sheds and SIP panels came up there, and so I'm just, are you sure they're going to act in good  
6 faith if we share all of our information?" BOVIS said yes and ARCHITECT 1 then said, "You sure  
7 DPW won't be shopping around or looking to other." And BOVIS replied, "No, Mohammed will give it  
8 to me if ah ah." And ARCHITECT 1 said, "Ok, alright I just wanted to be sure because the SIP panel  
9 stuff started coming up with all them too. So we definitely don't want." Based on my training and  
10 experience, and the context of this call, I believe BOVIS and NURU had already agreed to grant BOVIS  
11 the contract, and BOVIS had no concerns about competition or sharing information with others because  
12 he knows he will win the bid.

13 174. BOVIS and NURU continued their contact concerning the bathroom trailer project later  
14 in 2018 as well.

15 175. On November 27, 2018, at approximately 8:04 AM, NURU called BOVIS. After  
16 discussing other topics, BOVIS mentioned the bathroom trailer project. BOVIS said, "No, um, we're  
17 just waiting for the bathrooms right? Haha... They're waiting for the budget right." NURU answered,  
18 "Yeah, we're trying to free up our money. You know the city changed financial systems so we're trying  
19 to figure out exactly how much money we have and what we don't have. Yeah... But we're close, we're  
20 close."

21 176. On November 30, 2018, at approximately 5:49 PM, BOVIS called NURU. NURU and  
22 BOVIS discussed a variety of topics starting with a lease BOVIS is trying to get at the Transbay Transit  
23 Center (discussed above). BOVIS and NURU also discussed the bathroom trailer project. BOVIS said,  
24 "Oh and then um, my guys in Minnesota, I mean, uh not Minnesota, in uh, they were asking me about, I  
25 can tell them about uh the order, I told them in couple months, probably." NURU then responded,  
26 "Yeah, no, I'm trying, I'm gonna, yeah, I'm gonna get the money especially now that [the mayor's] got  
27 this new money that they've found... I think I'm gonna be, make sure I get, I'm gonna try get some of  
28 that for sure." The two then discussed how long BOVIS should tell his builders it would take for the

1 city to get the funding so they could start the construction. They both decided to give it six months. I  
2 believe this shows NURU continuing to use his official position to steer financial opportunities to  
3 BOVIS.

4 177. The last topic BOVIS and NURU discussed during this call was a Thanksgiving Day  
5 voucher deal where BOVIS gave vouchers to NURU. NURU then gave the vouchers to his employees  
6 who had to work on Thanksgiving. The employees could then eat for free at BOVIS' restaurant, Lefty's  
7 Ballpark Buffet. BOVIS would then give the vouchers that were turned in for the free meals back to  
8 NURU and NURU would pay for the meals out of DPW funds. NURU said, "(UI) Yeah so, prepare that  
9 invoice for me and put the discounts on it." And BOVIS said, "Yeah, I did 50%." NURU then replied,  
10 "(UI) Ok, oh good, perfect perfect... Yeah, then give it to me and I'll have it processed, yeah I'll have it  
11 processed." BOVIS then thanked NURU, "Thank you so much Mohammed." And NURU said, "Yeah,  
12 no problem, no problem. And then we'll do the same thing for Christmas or any other holiday coming  
13 up. You let me know... Yeah, so any other holiday or like or any day you think you'll have low  
14 attendance, you let me know, I can do the same thing, my friend, you know." BOVIS then ended the  
15 conversation by talking about The Broadway Grill, which had been closed for months due to a fire.  
16 BOVIS said, "Alright, oh um Broadway Grill will be opened up pretty soon too. I'm working with the  
17 chef right now." And NURU said, "Ok, yeah that would be nice (UI)." BOVIS replied, "Yeah,  
18 whatever you need, yeah whatever you want to bring there, I'll take care of it." And NURU said, "Ok,  
19 alright, that sounds good." Based on my training and experience, and the context of this call, I believe  
20 this is another example of how NURU grants BOVIS financial opportunities as Director of DPW and in  
21 return, NURU gets perks such as free meals from BOVIS' restaurants. Agents have previously seen  
22 NURU eat for free or at a discount at The Broadway Grill.

23 178. On January 29, 2019, at approximately 7:00 PM, NURU called BOVIS. BOVIS and  
24 NURU were discussing their schedules and trying to find some time to meet. BOVIS asked NURU,  
25 "No no. I got to stay down here tonight, can uh, should we meet tomorrow then? Would that be better?"  
26 NURU said he would try for Thursday. The two then joked around about BOVIS going to meet NURU  
27 in City Hall. BOVIS said, "Let me get ya on Thursday, or you want me to come by down to your  
28 office? See ya down there? Or?" And NURU answered, "No don't come by to my office (laughs)." And

1 BOVIS laughed as well, "Ok No No. Ok I know. Ok. Oh god I'm sorry (laughs)." BOVIS then laid out  
2 why he could not meet NURU tonight and said, "The only problem tonight is that um earlier I was  
3 gonna meet ya I didn't get enough for me, right now." And NURU said no problem and BOVIS  
4 continued, "Yeah. So I'll go in the morning and uh... Someone got to me before... (NURU then laughed  
5 and BOVIS continued) They they got to me." Based on my training and experience, and the context of  
6 this call, I believe BOVIS and NURU were going to meet to talk about one of the schemes they are  
7 currently involved in, such as the bathroom trailer project, homeless shelter project, or another money  
8 making scheme. NURU eventually went to BOVIS' restaurant, The Broadway Grill. I further believe  
9 NURU wants to hide his relationship with BOVIS from his coworkers since he does not want BOVIS  
10 going to his office. It is unknown what BOVIS was talking about when he said he "didn't get enough  
11 for me," "someone got to me," and "They they got to me," but based on my training and experience, and  
12 the history of this investigation, I believe it may possibly be a reference to cash.

13 179. On February 13, 2019, at approximately 6:12 PM, BOVIS called NURU. The two  
14 discussed the bathroom trailer and homeless shelter schemes. BOVIS told NURU he had attended a  
15 meeting earlier in the day where they discussed temporary homeless housing shelters and that his  
16 contractors could build the shelters in eight weeks and it needed to be completed by June 31, 2019 "so  
17 it's pretty crazy." NURU responded "We can, they can knock it out and get it done. I mean those are the  
18 good kinds of projects, right?" BOVIS went on to say that in order for his contractors to be paid quickly,  
19 he needed to have it set up with the city and that he needed to add "temporary structures" to his  
20 business's description with the city. After saying he sent his final proposal for the bathrooms to [DPW  
21 EMPLOYEE 5], BOVIS said he "sent the other thing to the uh lawyer and uh he's looking into that area  
22 there to see if it's doable... 'cause he's uh, they're lobbyists and um lawyers just for gaming." NURU  
23 responded he would like to set up a meeting with BOVIS and "the lady I'm dealing with... because she's  
24 my contact, I'm a build, she's my contact who's getting me all the information through those guys, these  
25 guys... These guys, they own casinos in uh China."

1 180. NURU switched to another call and called BOVIS back shortly thereafter.<sup>17</sup> During the  
2 follow up discussion, BOVIS said “And then um, the bathroom thing too, I’m good with that too now...I  
3 got it all, he’s gonna build it even better, so I’m happy by that.” NURU responded “Ok, well, we’re all  
4 good. We’re all good man. We’re do some good stuff there and, you know, take care of everything,  
5 yeah.” BOVIS said he needed to get his restaurant Lefty’s going (which opened in a new location near  
6 Fisherman’s Wharf in November 2018) and NURU responded “We’re gonna do that too. We’re gonna  
7 figure that out, yup, we’re gonna figure that one out.” NURU said that GIRLFRIEND 1 was still  
8 working on finishing up a project for BOVIS regarding BOVIS’ restaurant. BOVIS and NURU returned  
9 to the subject of building a casino and they discussed the photograph of the site NURU sent BOVIS.  
10 NURU said the pictures showed “a hundred and forty-seven acres. It’s huge” and “they own that  
11 land...yeah so you know, anything we can do there, and they’re willing to come up here, so they’re  
12 starting to look at some land up here.” BOVIS responded, “Yeah, I can get, I can get the guys to help  
13 them with the [casino] license for sure.” BOVIS went on to say his lobbyist/attorney contact works in  
14 Los Angeles and Sacramento and specializes in gaming in California on non-Native American land.

15 181. On February 14, 2019, at approximately 6:49 PM, NURU called BOVIS. BOVIS said “I  
16 just wanted to uh, so I’ve been working with uh, they’re working really fast on this emergency contract  
17 thing” and asked if there was a way to get a deposit for the work that his contractors have done on the  
18 plans and proposals. NURU responded, “You have to get, you have to get the contract first, when you  
19 get the contract...when you get the contract.” BOVIS then switched topics to helping NURU and said  
20 “So um, then I got the other guy, uh, for that site down there, I think that area there, he can uh, work  
21 with them for that um, thing, so if you wanna um, I can introduce or we can put that together for the lady  
22

23  
24 <sup>17</sup> It bears noting that NURU was not honest with BOVIS about the person he was talking with  
25 on the other line. NURU was talking with CONTRACTOR 1 about the delivery of a tractor  
26 CONTRACTOR 1 was coordinating. NURU told BOVIS he bought a new tractor and that the company  
27 was trying to get directions to NURU’s vacation home and was confused as to where to go.  
28 CONTRACTOR 1 did not ask for directions and there were no records of any other call during this  
period. Based on my training and experience and the context of this call, I believe NURU knows his  
conduct with CONTRACTOR 1 and others in connection with the Vacation Home Scheme is illegal  
and, even though he is engaged in illegal conduct with BOVIS, NURU is attempting to  
compartmentalize how much BOVIS knows about NURU’s other schemes. This conclusion is  
supported by another intercepted call between NURU and GIRLFRIEND 1, discussed below, where the  
two discuss the need to limit how many people know about NURU’s vacation home.

1 down in Los Angeles too.” NURU said “but I need to sit down with you to lay everything out...because  
2 yeah, that way, that way...when we meet with my person, the few of us can, can lay it out.”

3 182. BOVIS then switched the conversation back to the bathroom trailer proposal. BOVIS  
4 said that DPW EMPLOYEE 5 was out, but he sent his proposal to her this morning. NURU responded  
5 “she told me, she told me something, uh like, uh, like uh, 79,000 or something like that?” BOVIS  
6 responded “Yeah, if you need it different, just let me know and I’ll change whatever, uh, I need to do, I  
7 just wanted to, they added all the solar stuff in there and all this stuff, uh, I had to uh, they added  
8 delivery.” BOVIS said he can “just lower it” if he has to.” NURU responded “Let’s see. Don’t worry.”  
9 BOVIS and NURU then had the following conversation:

10 BOVIS: Just if you want to tell me what to do and I can do it.

11 NURU: I don’t know. I don’t know because of how we, let’s just go with it and see, yeah, yeah.”

12 BOVIS: Oh shit, I should have asked you first, sorry.

13 NURU: Yeah (laughing). That's ok.

14 BOVIS: Um, ah fuck, oh.

15 NURU: That's ok

16 BOVIS: (Laughing) Oh boy, I haven't learned all these things, I'm sorry Mo.

17 NURU: Don't worry, don't worry

18 BOVIS: Ok

19 NURU: Ok

20 BOVIS: Next time I'll do it the other way

21 NURU: Yeah

22 183. At the end of the conversation NURU said “Ok, let me work, let me work on this big one  
23 because that’s the one we need to get in.”

24 184. On February 19, 2019, at approximately 10:32 AM, NURU received a call from BOVIS.  
25 BOVIS said DPW EMPLOYEE 5 was not answering her telephone, but that BOVIS wanted to ask “if,  
26 um, the guy that’s doing the um, bid, uh whatever, the proposal for um, the sprung unit, and all of those  
27 things, he wanted to know if, if they could award the contract to my company.” NURU responded  
28 “Yeah, they can...yeah they should, I mean they should be able to, I mean, just go ahead and do it with

1 your company name. Don't, don't (UI)...if there's a problem, we'll cross it, but right now, that's where  
2 we're going...yeah, if we run into a roadblock, we'll figure out how to unblock it." Based on my  
3 training and experience, and the context of this call, I believe NURU was telling BOVIS that he would  
4 correct any problems with BOVIS' bid to ensure that BOVIS wins the contract

5 **5. Vacation Home Scheme**

6 185. Agents have also intercepted numerous calls indicating that NURU is remodeling his  
7 vacation home in Stonyford, California. The home has been extensively remodeled largely by  
8 contractors from San Francisco. It is approximately a three and a half hour drive from San Francisco to  
9 Stonyford. As noted above, in this economic climate and given the considerable extra expense to a  
10 customer, it is remarkable that NURU has contractors from San Francisco driving three and a half hours  
11 one way to work on his vacation home. NURU appears to be using specific contractors with business  
12 with the City and County of San Francisco for this work. He also appears to be using his official  
13 position to obtain discounted work from a DPW employee [DPW EMPLOYEE 6] who has promised to  
14 charge NURU a discounted rate for concrete work and assured NURU that he would not put him "in  
15 harm's way" by bringing other city employees to work on the vacation home.

16 186. One of the contractors who is sending workers to work on the vacation home,  
17 CONTRACTOR 1, is the CEO and Vice President of a company that has received numerous contracts  
18 with the City and County of San Francisco, including a 2018 contract with DPW worth more than \$2  
19 million (according to publicly available information). CONTRACTOR 1 also appears to have provided  
20 NURU with construction equipment to use in grading projects at NURU's vacation home. At the same  
21 time that CONTRACTOR 1 was communicating with NURU about assisting him with the vacation  
22 home, it also appears that he was receiving behind-the-scenes support from NURU to resolve issues with  
23 city projects, including a project to replace sidewalks on Van Ness Avenue in San Francisco.

24 187. For example, during a recorded call on September 14, 2018, CONTRACTOR 1 and  
25 NURU discussed one of CONTRACTOR 1's employees who would be arriving with equipment to work  
26 on NURU's vacation home. Later in the same conversation, CONTRACTOR 1 appeared to ask NURU  
27 for assistance with a city project, saying "Sounds really good, so, hey, um, keep in mind that, you know,  
28 the property with [street in San Francisco], right, that piece of land there, right so if you can do

1 something.” NURU interrupted and said “Promise...yeah um [DPW EMPLOYEE 1], has been in jury  
2 duty this whole week, so he hasn’t been here, but he is working on that for me to figure out how we can  
3 make it all clean and legit and yeah, so there is no long-term problem.” CONTRACTOR 1 responded  
4 “Perfect, perfect, perfect, okay Mo...thank you man.”<sup>18</sup>

5 188. Based on a number of intercepted communications and emails, CONTRACTOR 2 (who  
6 arranged free or subsidized travel and lodging for NURU in South America and China as described  
7 above), also appears to be providing free or subsidized work on NURU’s vacation home, including a  
8 “crew” of workers that was coordinated with CONTRACTOR 2’s son and sent to the home in February  
9 2019.

10 189. Along with CONTRACTOR 1, CONTRACTOR 3 also appears to be helping NURU  
11 with his vacation home. CONTRACTOR 3 is the owner of a separate construction engineering firm  
12 based in the Bay Area that is focused on government contracts that has performed work on a number of  
13 projects for the City and County of San Francisco. CONTRACTOR 3 is an associate of NURU’s and  
14 has traveled internationally with him. Intercepted communications indicate that CONTRACTOR 3 and  
15 CONTRACTOR 1 arranged to deliver a new John Deere tractor to NURU in February 2019.

16 190. For example, on February 7, 2019 at approximately 4:32 PM, NURU called  
17 CONTRACTOR 1. CONTRACTOR 1 told NURU that he “spoke with [CONTRACTOR 3]<sup>19</sup> and the  
18 John Deere is ready. You need to give me two days, available days, on weekdays in the next two weeks,  
19 he uh, John Deere have to deliver and teach you how to operate it, so you need to give me two days and  
20 they’ll pick one of those days to make it work for you.”

21 191. On February 11, 2019, at approximately 11:28 AM, NURU called CONTRACTOR 1.

22  
23 <sup>18</sup> During another call, on September 26, 2018, at approximately 8:55 AM, NURU called  
24 CONTRACTOR 1. In the call, CONTRACTOR 1 discussed a contract he had with the City and was  
25 asking NURU for help. CONTRACTOR 1 said, “Hey, so I sent you an e-mail on the other e-mail. Um,  
26 that...tha...[construction company] is working on the job on Van Ness. And the... And, there were three  
27 hearings. [Unintelligible] I need to cut. I’m doing the side work. And the, and the, and you know the  
28 sidewalks. And the [UI]. It’s significantly, it’s a little different so they’re putting in all new trees similar  
size everything. But they denied the removal of the trees at the hearing and I uh send you the paperwork,  
you know.” NURU then asked for the address and CONTRACTOR 1 continued by providing an address  
and said “And, um, so I send it to you. See if you could take a look at and see if there’s something can  
help out with.” NURU responded, “Okay, let me look at it.” NURU then followed up with a number of  
calls to other city officials and employees about sidewalk issues with the Van Ness project.

<sup>19</sup> Based on other intercepts, agents believe this is a reference to CONTRACTOR 3.

1 CONTRACTOR 1 confirmed that NURU would be at his vacation home on the following Tuesday so  
2 that he could receive the delivery of something. In later intercepted conversations, it was revealed that  
3 CONTRACTOR 1 was coordinating the delivery of the new John Deere tractor. CONTRACTOR 1 said  
4 that he will nail down the delivery and that [CONTRACTOR 3] might want to visit the ranch with  
5 CONTRACTOR 1 during the weekend. NURU said CONTRACTOR 3 could come to the ranch as well.

6 192. On February 18, 2019, at approximately 11:56 AM, NURU called CONTRACTOR 3.  
7 They discussed how beautiful NURU's new tractor was and CONTRACTOR 3 said "I am going to  
8 make another trip um probably next week to bring the attachments....so I got one more attachment that  
9 is a bore attachment, another attachment that is a grading attachment for spreading rock and leveling  
10 things, ok, I'm glad they made it over there." NURU responded "Nice, nice. I just finished my training  
11 course (laughs)" and CONTRACTOR 3 replied "Good. That is the only reason I wanted to coordinate.  
12 Otherwise, I wouldn't have told them to deliver it, but uh, there are a few things that need to be, go over,  
13 and how things connect and that stuff."

14 193. NURU had a similar conversation with CONTRACTOR 1 the following day. On  
15 February 19, 2019, at approximately 7:46 AM, NURU called CONTRACTOR 1. The two of them  
16 discussed NURU's new tractor and CONTRACTOR 1 asked if NURU was happy with it. NURU  
17 responded "Yeah, yeah, very nice. It's a nice tractor. Very nice, you know, it's a modern tractor for  
18 sure."

19 194. Between July 2018 and February 2019, Agents also intercepted numerous calls between  
20 NURU and DPW EMPLOYEE 6 about providing concrete work on NURU's vacation home. NURU  
21 has intervened with the employee's supervisor on separate occasions to make sure the employee has  
22 authorization to visit NURU or take time to work on the vacation home. DPW EMPLOYEE 6 appears  
23 to be providing NURU with a discounted rate for the labor. Both have acknowledged the need to keep  
24 the arrangement confidential.

25 195. For example, on December 5, 2018, NURU called DPW EMPLOYEE 6, at  
26 approximately 5:07 PM, to ask about the work on NURU's home for the upcoming weekend.  
27 Describing the crew he will have working on the home, DPW EMPLOYEE 6 stated, "I'll have, I'll have  
28 myself, I'll be there, and then I'll have four, four guys and one apprentice, so we'll be there." NURU

1 then inquired, "Okay good and uh, these people are not uh, they're not City people are they?" DPW  
2 EMPLOYEE 6 replied, "No, no... You don't have to worry, you don't have to worry about none of that  
3 stuff." NURU stated "Okay, no that's good I just wanted to make sure." DPW EMPLOYEE 6 then  
4 reassured NURU, "I wouldn't put you in harm's way." Based on my training and experience, the  
5 context of this call and prior intercepted communications, I believe NURU is attempting to limit  
6 knowledge of his vacation home scheme to specific trusted City employees or associates.

7 196. Regarding the discounted rate, on December 8, 2018, at approximately 5:18 PM, DPW  
8 EMPLOYEE 6 called NURU. During the call, they discussed the cost of the concrete work and had the  
9 following interaction:

10 NURU: So um, ok, well, just let me know, let's look at it, you know, and work the  
11 numbers man, you know, I'm a little broke. I'm just trying to get this done  
12 man.

13 Employee: I hear ya. I'm just charging you per guy, that's all I'm doing.

14 NURU: I know, but you gave me a little estimate for, you know, before,  
15 remember? So

16 Employee: That estimate was \$6,700, to set it up.

17 NURU: No no no. It was \$4,400. I wrote it down in the book

18 Employee: No it was sixty-seven. I have it in my book, but I told you

19 NURU: Ohhhh

20 Employee: I'm gonna do it for less, but I just don't know how much less.

21 Based on the context of this call and my training and experience, I believe NURU is getting charged a  
22 discounted price for DPW EMPLOYEE 6's concrete work because of NURU's position as the Director  
23 of DPW. Such evidence further underscore's NURU's intent to improperly use his official position for  
24 personal gain.

25 197. The investigation has also analyzed known financial accounts for NURU. Although the  
26 investigation identified more than \$200,000 that NURU has spent on home improvement (between  
27 approximately January 2017 and May 2019), to date no payments to CONTRACTOR 1,  
28 CONTRACTOR 2, CONTRACTOR 3, or DPW EMPLOYEE 6 have been identified. Based on my

1 training and experience, and based on intercepted communications, I believe these contractors are  
2 providing labor and equipment for construction on NURU's vacation home for free or at a subsidized  
3 rate so they can continue to obtain city contracts, as well as receive NURU's support in resolving any  
4 issues that may arise with existing and future contracts with the City or, in the case of the DPW  
5 EMPLOYEE 6, any issues that may arise with his future employment.

6 198. On February 19, 2019, at approximately 9:55 PM, NURU called GIRLFRIEND 1.  
7 During this call, NURU explained how the six workers building his new barn did all of their own  
8 cooking. Additionally NURU and GIRLFRIEND 1 had the following exchange where they discussed  
9 limiting the number of people who know about NURU's vacation home:

10 NURU: (call minimized)...back on my projects again and I just need to be careful, I don't,  
11 I need to watch myself carefully.

12 GF 1: Yep, don't tell a lot of people. That's what you really need to be careful of  
13 because that's what's gonna get you in the end.

14 NURU: What do you mean "That's what's gonna get me in the end?" Everything is legit.  
15 What are you talking about?

16 GF 1: Well all these people are gonna start saying stuff and speculating and this and  
17 that. You don't need that headache.

18 NURU: No, I don't, I don't need that headache.

19 GF 1: So you don't run your mouth. That's what I'm saying.

20 NURU: That's true, that's true. I'll stay away from these people.

21 GF 1: Yeah, 'cause I mean random people have been like, maybe like a year ago, or  
22 eight months ago, telling me about your ranch, and I'm like "How in the hell do  
23 these people know?"

24 NURU: Yeah, they'll never find it, even people that have the address cannot find it.  
25 (laughs)

26 GF 1: I know, right?

27 NURU: The lumber truck guy who was delivering lumber twice today could not find it.  
28 He was an hour late because I had to go look for him.

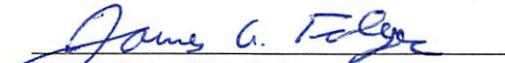
199. Based on my training and experience, and the context of this call, although NURU  
initially said his projects were legitimate, I believe he would not be concerned with people finding his  
vacation home if all of the work was legitimate and paid for by legal income.

1 **IV. CONCLUSION**

2 200. Based on the foregoing facts and my training and experience, I respectfully submit there  
3 is probable cause to believe that NURU and BOVIS committed honest services wire fraud, in violation  
4 of Title 18, United States Code, Sections 1343 and 1346, as part of their scheme to use a bribe and/or  
5 kickback to secure a restaurant lease at San Francisco International Airport.

6 **V. REQUEST FOR SEALING**

7 201. Because this investigation is continuing, disclosure of the Complaint, this affidavit,  
8 and/or the arrest warrant will jeopardize the progress of the investigation. Disclosure would give the  
9 targets of the investigation an opportunity to destroy evidence, change patterns of behavior, notify  
10 confederates, or flee from prosecution. Accordingly, I request that the Court issue an order sealing the  
11 Complaint, this affidavit, and the arrest warrant until further order of the Court.

12  
13  
14   
15 JAMES A. FOLGER  
16 Special Agent, Federal Bureau of Investigation

17 Sworn to and subscribed before  
18 me this 15 day of January, 2020.

19   
20 \_\_\_\_\_  
21 HON. SALLIE KIM  
22 United States Magistrate Judge  
23  
24  
25  
26  
27  
28

# **EXHIBIT 2**

LLC-1

**Articles of Organization  
of a Limited Liability Company (LLC)**

201512010493

To form a limited liability company in California, you can fill out this form, and submit for filing along with:

- A \$70 filing fee.
- A separate, non-refundable \$15 service fee also must be included, if you drop off the completed form.

**Important!** LLCs in California may have to pay a minimum \$800 yearly tax to the California Franchise Tax Board. For more information, go to <https://www.flb.ca.gov>.

LLCs may not provide "professional services," as defined by California Corporations Code sections 13401(a) and 13401.3.

Note: Before submitting the completed form, you should consult with a private attorney for advice about your specific business needs.

**FILED**  
Secretary of State  
State of California

APR 24 2015

This Space For Office Use Only

For questions about this form, go to [www.sos.ca.gov/business/be/filing-tips.htm](http://www.sos.ca.gov/business/be/filing-tips.htm).

**LLC Name** (List the proposed LLC name exactly as it is to appear on the records of the California Secretary of State.)

① SMTM TECHNOLOGY, LLC

*Proposed LLC Name*

The name **must** include: LLC, L.L.C., Limited Liability Company, Limited Liability Co., Ltd. Liability Co. or Ltd. Liability Company; and **may not** include: bank, trust, trustee, incorporated, inc., corporation, or corp., insurer, or insurance company. For general entity name requirements and restrictions, go to [www.sos.ca.gov/business/be/name-availability.htm](http://www.sos.ca.gov/business/be/name-availability.htm).

**Purpose**

② The purpose of the limited liability company is to engage in any lawful act or activity for which a limited liability company may be organized under the California Revised Uniform Limited Liability Company Act.

**LLC Addresses**

③ a. 414 CLARK DRIVE, SAN MATEO, CA 94402  
*Initial Street Address of Designated Office in CA - Do not list a P.O. Box* *City (no abbreviations)* *State Zip*

b. \_\_\_\_\_  
*Initial Mailing Address of LLC, if different from 3a* *City (no abbreviations)* *State Zip*

**Service of Process** (List a California resident or a California registered corporate agent that agrees to be your initial agent to accept service of process in case your LLC is sued. You may list any adult who lives in California. You may **not** list an LLC as the agent. Do not list an address if the agent is a California registered corporate agent as the address for service of process is already on file.)

④ a. NICK BOVIS

*Agent's Name*

b. 414 CLARK DRIVE, SAN MATEO, CA 94402  
*Agent's Street Address (if agent is not a corporation) - Do not list a P.O. Box* *City (no abbreviations)* *State Zip*

**Management** (Check only one.)

⑤ The LLC will be managed by:

- One Manager     More Than One Manager     All Limited Liability Company Member(s)

This form must be signed by each organizer. If you need more space, attach extra pages that are 1-sided and on standard letter-sized paper (8 1/2" x 11"). All attachments are made part of these articles of organization.

  
*Organizer - Sign Here*

NICK BOVIS  
*Print your name here*

Make check/money order payable to: **Secretary of State**  
Upon filing, we will return one (1) uncertified copy of your filed document for free, and will certify the copy upon request and payment of a \$5 certification fee.

**By Mail**  
Secretary of State  
Business Entities, P.O. Box 944228  
Sacramento, CA 94244-2280

**Drop-Off**  
Secretary of State  
1500 11th Street., 3rd Floor  
Sacramento, CA 95814



**State of California  
Secretary of State**

L

**STATEMENT OF INFORMATION  
(Limited Liability Company)**

41  
P

Filing Fee \$20.00. If this is an amendment, see instructions.

**IMPORTANT — READ INSTRUCTIONS BEFORE COMPLETING THIS FORM**

**FILED**  
Secretary of State  
State of California  
**MAY 26 2015**

1. LIMITED LIABILITY COMPANY NAME

SMTM TECHNOLOGY, LLC

26/20/PC  
This Space For Filing Use Only

File Number and State or Place of Organization

2. SECRETARY OF STATE FILE NUMBER

201512010493

3. STATE OR PLACE OF ORGANIZATION (If formed outside of California)

California

No Change Statement

4. If there have been any changes to the information contained in the last Statement of Information filed with the California Secretary of State, or no Statement of Information has been previously filed, this form must be completed in its entirety.

If there has been no change in any of the information contained in the last Statement of Information filed with the California Secretary of State, check the box and proceed to Item 15.

Complete Addresses for the Following (Do not abbreviate the name of the city. Items 5 and 7 cannot be P.O. Boxes.)

5. STREET ADDRESS OF PRINCIPAL OFFICE

414 Clark Drive

CITY

San Mateo

STATE ZIP CODE

CA 94402

6. MAILING ADDRESS OF LLC, IF DIFFERENT THAN ITEM 5

CITY

STATE ZIP CODE

7. STREET ADDRESS OF CALIFORNIA OFFICE

414 Clark Drive

CITY

San Mateo

STATE ZIP CODE

CA 94402

Name and Complete Address of the Chief Executive Officer, If Any

8. NAME

ADDRESS

CITY

STATE ZIP CODE

Name and Complete Address of Any Manager or Managers, or if None Have Been Appointed or Elected, Provide the Name and Address of Each Member (Attach additional pages, if necessary.)

9. NAME

Nick Bovis

ADDRESS

414 Clark Drive

CITY

San Mateo

STATE ZIP CODE

CA 94402

10. NAME

ADDRESS

CITY

STATE ZIP CODE

11. NAME

ADDRESS

CITY

STATE ZIP CODE

Agent for Service of Process If the agent is an individual, the agent must reside in California and Item 13 must be completed with a California address, a P.O. Box is not acceptable. If the agent is a corporation, the agent must have on file with the California Secretary of State a certificate pursuant to California Corporations Code section 1505 and Item 13 must be left blank.

12. NAME OF AGENT FOR SERVICE OF PROCESS

Nick Bovis

13. STREET ADDRESS OF AGENT FOR SERVICE OF PROCESS IN CALIFORNIA, IF AN INDIVIDUAL

414 Clark Drive

CITY

San Mateo

STATE ZIP CODE

CA 94402

Type of Business

14. DESCRIBE THE TYPE OF BUSINESS OF THE LIMITED LIABILITY COMPANY

developing, producing, marketing, managing, and selling patents, patent applications and other

15. THE INFORMATION CONTAINED HEREIN, INCLUDING ANY ATTACHMENTS, IS TRUE AND CORRECT.

May 18, 2015

Nick Bovis

Member

DATE

TYPE OR PRINT NAME OF PERSON COMPLETING THE FORM

TITLE

SIGNATURE



**Secretary of State**  
**Statement of Information**  
(Limited Liability Company)

**LLC-12**

20-A46460

**FILED**

In the office of the Secretary of State  
of the State of California

JAN 30, 2020

**This Space For Office Use Only**

**IMPORTANT** — [Read instructions](#) before completing this form.

**Filing Fee – \$20.00**

**Copy Fees** – First page \$1.00; each attachment page \$0.50;  
Certification Fee - \$5.00 plus copy fees

**1. Limited Liability Company Name** (Enter the exact name of the LLC. If you registered in California using an alternate name, [see instructions](#).)  
SMTM TECHNOLOGY, LLC

**2. 12-Digit Secretary of State File Number**  
201512010493

**3. State, Foreign Country or Place of Organization** (only if formed outside of California)  
CALIFORNIA

**4. Business Addresses**

a. Street Address of Principal Office - Do not list a P.O. Box 414 Clark Drive	City (no abbreviations) san mateo	State CA	Zip Code 94402
b. Mailing Address of LLC, if different than item 4a 414 Clark Drive	City (no abbreviations) san mateo	State CA	Zip Code 94402
c. Street Address of California Office, if Item 4a is not in California - Do not list a P.O. Box 414 Clark Drive	City (no abbreviations) san mateo	State CA	Zip Code 94402

**5. Manager(s) or Member(s)**

If no **managers** have been appointed or elected, provide the name and address of each **member**. At least one name **and** address must be listed. If the manager/member is an individual, complete Items 5a and 5c (leave Item 5b blank). If the manager/member is an entity, complete Items 5b and 5c (leave Item 5a blank). Note: The LLC cannot serve as its own manager or member. If the LLC has additional managers/members, enter the name(s) and addresses on Form LLC-12A ([see instructions](#)).

a. First Name, if an individual - Do not complete Item 5b nick	Middle Name	Last Name bovis	Suffix
b. Entity Name - Do not complete Item 5a			
c. Address 414 clark drive	City (no abbreviations) san mateo	State CA	Zip Code 94402

**6. Service of Process** (Must provide either Individual **OR** Corporation.)

**INDIVIDUAL** – Complete Items 6a and 6b only. Must include agent's full name and California street address.

a. California Agent's First Name (if agent is <b>not</b> a corporation) nick	Middle Name	Last Name bovis	Suffix
b. Street Address (if agent is <b>not</b> a corporation) - <b>Do not enter a P.O. Box</b> 414 clark drive	City (no abbreviations) san mateo	State CA	Zip Code 94402

**CORPORATION** – Complete Item 6c only. Only include the name of the registered agent Corporation.

c. California Registered Corporate Agent's Name (if agent is a corporation) – Do not complete Item 6a or 6b

**7. Type of Business**

a. Describe the type of business or services of the Limited Liability Company  
wholesale drink mixers

**8. Chief Executive Officer, if elected or appointed**

a. First Name	Middle Name	Last Name	Suffix
b. Address		City (no abbreviations)	State Zip Code

**9. The Information contained herein, including any attachments, is true and correct.**

01/30/2020

nick bovis

Managing Director

Date

Type or Print Name of Person Completing the Form

Title

Signature

**Return Address (Optional)** (For communication from the Secretary of State related to this document, or if purchasing a copy of the filed document enter the name of a person or company and the mailing address. This information will become public when filed. [SEE INSTRUCTIONS](#) BEFORE COMPLETING.)

Name: [ ]

Company:

Address:

City/State/Zip: [ ]

# **EXHIBIT 3**

---

## CHAPTER 28:

---

### ADMINISTRATIVE DEBARMENT PROCEDURE

---

- Sec. 28.0. Findings.
- Sec. 28.1. Definitions.
- Sec. 28.2. Debarment and Suspension Authority.
- Sec. 28.3. Grounds for Debarment and Suspension.
- Sec. 28.4. Initiating Debarment Proceedings; Counts and Allegations.
- Sec. 28.5. Service of the Counts and Allegations or Suspension Order.
- Sec. 28.6. Request for a Hearing.
- Sec. 28.7. Failure to Request a Hearing or to Appear.
- Sec. 28.8. Appointment of the Hearing Officer.
- Sec. 28.9. Pre-Hearing Procedure.
- Sec. 28.10. Hearings and Determinations.
- Sec. 28.11. Term and Effect of Administrative Debarment or Order of Suspension; Violation of Order.
- Sec. 28.12. Publication and Reports of Debarment or Suspension.

---

#### SEC. 28.0. FINDINGS.

(a) The Board of Supervisors finds that: (1) contracting with the City is an important municipal affair, and that the award of contracts to Contractors who fail to deal with the City in good faith compromises the integrity of the contracting process and results in the improper expenditure of public funds, and (2) the public contracting process is for the benefit of the public, not Contractors, and it serves the public interest to empower the City to Debar or Suspend a Contractor that has engaged in conduct that undermines the integrity of the public contracting process.

(b) The Board of Supervisors recognizes that the City must afford Contractors due process in any determination that precludes any individual or business entity from participating in the contracting process. This Chapter 28 does not apply to a determination of nonresponsibility for a single contract or identifiable group of contracts, but rather to the broader determination of irresponsibility of a Contractor for the general purpose of contracting with the City for a specified period. The Board of Supervisors therefore adopts this Chapter to prescribe standard procedures for the prosecution, determination, and implementation of administrative Debarments and Suspensions.

– (Added by Ord. 8-04, File No. 031503, App. 1/16/2004; amended by Ord. [239-20](#), File No. 200896, App. 11/25/2020, Eff. 12/26/2020)

---

#### SEC. 28.1. DEFINITIONS.

The following definitions apply for only the purposes of this Chapter 28:

**Affiliate.** Any individual person or business entity related to a Contractor where such individual or business entity, directly or indirectly, controls or has the power to control the other, or where a third person controls or has the power to control both. Indicia of control include, but are not limited to: interlocking management or ownership; identity of interests among family members; shared facilities and equipment; common use of employees or a business entity organized following the Suspension, Debarment, bankruptcy, dissolution or reorganization of a person which has the same or similar management; and/or ownership or principal employee as the Contractor.

**Charging Official.** Any City department head or the President of any board or commission authorized to award or execute a contract under the Charter or the Administrative Code, the Mayor, the Controller, the City Administrator, the Director of Administrative Services, or the City Attorney. All Charging Officials are authorized to act on behalf of the City in prosecuting any administrative Debarment proceeding and in issuing an Order of Debarment or issuing an Order of Suspension under this Chapter 28.

**City.** The City and County of San Francisco.

**Contractor.** Any individual person, business entity, or organization that submits a qualification statement, proposal, bid, or grant request, or that contracts directly or indirectly with the City for the purpose of providing any goods or services or construction work to or for, or applies for or receives a grant from, the City including without limitation any Contractor, subcontractor, consultant, subconsultant or supplier at any tier, or grantee. The term “Contractor” shall include any responsible managing corporate officer, or responsible managing employee, or other owner or officer of a Contractor who has personal involvement and/or responsibility in seeking or obtaining a contract with the City or in supervising and/or performing the work prescribed by the contract or grant.

**Day.** A calendar day unless otherwise specified.

**Debarment.** The administrative determination against a Contractor declaring such Contractor irresponsible and disqualified from participating in the procurement process for contracts, or from entering into contracts, directly or indirectly, with or applying for or receiving grants or other benefits from the City for a period specified in the Debarment order.

**Suspension.** Ineligibility of a Contractor that is the subject of an arrest, indictment, or other criminal or civil charge by a governmental entity (federal, state or local), as specified in greater detail in Section 28.3(b) from participating in the procurement process for contracts or from entering into contracts directly or indirectly with, or applying for or receiving grants from, the City.

– (Added by Ord. 8-04, File No. 031503, App. 1/16/2004; amended by Ord. [239-20](#), File No. 200896, App. 11/25/2020, Eff. 12/26/2020)

---

## SEC. 28.2. DEBARMENT AND SUSPENSION AUTHORITY.

Notwithstanding any other provision of the Administrative Code, any Charging Official shall have authority to issue Orders of Debarment or Suspension against any Contractor in accordance with the procedures set forth in this Chapter 28.

– (Added by Ord. 8-04, File No. 031503, App. 1/16/2004; amended by Ord. [239-20](#), File No. 200896, App. 11/25/2020, Eff. 12/26/2020)

---

## SEC. 28.3. GROUNDS FOR DEBARMENT AND SUSPENSION.

(a) **Debarment.** A Charging Official shall issue an Order of Debarment for any Contractor who the hearing officer, based on evidence presented, finds to have engaged in any willful misconduct with respect to any City bid, request for qualifications, request for proposals, grant request, purchase order and/or contract,

or grant award. Such willful misconduct may include, but need not be limited to the following: (1) submission of false information in response to an advertisement or invitation for bids or quotes, a request for qualifications, or a request for proposals; (2) failure to comply with the terms of a contract or with provisions of the Municipal Code; (3) a pattern and practice of disregarding or repudiating terms or conditions of City contracts or grants, including without limitation repeated unexcused delays and poor performance; (4) failure to abide by any rules and/or regulations adopted pursuant to the Municipal Code; (5) submission of false claims as defined in this Administrative Code, Chapter 6, Article V, or Chapter 21, Section 21.35, or other applicable federal, state, or municipal false claims laws; (6) a verdict, judgment, settlement, stipulation, or plea agreement establishing the Contractor's violation of any civil or criminal law or regulation against any government entity relevant to the Contractor's ability or capacity honestly to perform under or comply with the terms and conditions of a City contract or grant; (7) collusion in obtaining award of any City contract or grant, or payment or approval thereunder; and/or (8) the offer or provision of any gift or money to a public official, if that public official is prohibited from accepting the gift or money by any law or regulation.

(b) **Suspension.** Any Charging Official may issue an Order of Suspension to a Contractor on the basis that the Contractor has been arrested or indicted, or become the subject of a criminal, civil or administrative complaint issued by a government entity, where the arrest or indictment, criminal, civil, or administrative complaint alleges that the Contractor has violated a civil or criminal law or regulation against any government entity relevant to the Contractor's ability or capacity honestly to perform under or comply with the terms and conditions of a City contract or grant including, but not limited to, the grounds for Debarment set forth in Section 28.3(a).

■ (Added by Ord. 8-04, File No. 031503, App. 1/16/2004; amended by Ord. [239-20](#), File No. 200896, App. 11/25/2020, Eff. 12/26/2020)

---

## SEC. 28.4. INITIATING DEBARMENT PROCEEDINGS; COUNTS AND ALLEGATIONS.

(a) Any Charging Official may initiate an administrative Debarment proceeding by issuing Counts and Allegations. A Charging Official may issue Counts and Allegations against any Contractor relating to any matter consistent with the grounds for debarment as stated in Section 28.3(a). A Charging Official may issue Counts and Allegations regardless whether such Charging Official awarded, was responsible for, or was involved in any way with the underlying contract or circumstances leading to the Counts and Allegations.

(b) The Charging Official shall append to the Counts and Allegations a photocopy of this Chapter 28 of the Administrative Code. Failure to append this Chapter 28, however, shall not affect the force or validity of the Counts and Allegations.

■ (Added by Ord. 8-04, File No. 031503, App. 1/16/2004; amended by Ord. [239-20](#), File No. 200896, App. 11/25/2020, Eff. 12/26/2020)

---

## SEC. 28.5. SERVICE OF THE COUNTS AND ALLEGATIONS OR SUSPENSION ORDER.

(a) **Debarment Counts and Allegations.** The Charging Official shall serve the Counts and Allegations on each named individual person or business entity in a manner ensuring confirmation of delivery. For example, the Charging Officer may achieve service by United States Postal Service certified mail, return receipt requested or with other delivery confirmation, hand delivery (messenger service), or other commercial delivery service that provides written confirmation of delivery.

The Charging Official shall also serve the Counts and Allegations on the Controller, City Administrator and the City Attorney.

(b) **Suspension Order.** The Charging Official shall serve the Suspension Order on the named Contractor in a manner ensuring confirmation of delivery. For example, the Charging Officer may achieve service by United States Postal Service certified mail, return receipt requested or with other delivery confirmation, hand delivery (messenger service), or other commercial delivery service that provides written confirmation of delivery.

The Charging Official shall also serve the Suspension Order on the Controller, City Administrator and the City Attorney.

- (Added by Ord. 8-04, File No. 031503, App. 1/16/2004; amended by Ord. [239-20](#), File No. 200896, App. 11/25/2020, Eff. 12/26/2020)

---

## SEC. 28.6. REQUEST FOR A HEARING.

(a) **Debarment Counts and Allegations.** Within 15 business days after receipt of the Counts and Allegations, the Contractor may submit a written request for an administrative hearing. The Contractor may make such request through counsel or other authorized representative. The Contractor shall file any such request with the Controller with copies to the Charging Official, the City Attorney, and the City Administrator.

(b) **Order of Suspension.** At any time during a period of Suspension, a suspended Contractor may submit a written request to the Charging Official requesting the official to lift the Order of Suspension on the grounds that the Contractor's alleged conduct does not meet the legal requirement for Suspension, or based on facts or circumstances unknown to the Charging Official, or based on new facts, circumstances, or law. The Charging Official shall provide a written response within 14 Days. If the Charging Official's written response declines to lift the Order of Suspension, or the Charging Official fails to provide a written response within 14 Days, the suspended Contractor may submit in writing within 7 Days a request for an administrative hearing. The suspended Contractor may make such request through counsel or other authorized representative. The suspended Contractor shall file any such request with the Controller with copies to the Charging Official, the City Administrator, and the City Attorney.

- (Added by Ord. 8-04, File No. 031503, App. 1/16/2004; amended by Ord. [239-20](#), File No. 200896, App. 11/25/2020, Eff. 12/26/2020)

---

## SEC. 28.7. FAILURE TO REQUEST A HEARING OR TO APPEAR.

Failure of the Contractor to submit to the City a written request to be heard within the time required by this Chapter 28, or failure of the Contractor or the Contractor's representative to appear for a requested hearing that has been duly noticed, shall be deemed admission by the Contractor to the Counts and Allegations.

- (Added by Ord. 8-04, File No. 031503, App. 1/16/2004; amended by Ord. [239-20](#), File No. 200896, App. 11/25/2020, Eff. 12/26/2020)

---

## SEC. 28.8. APPOINTMENT OF THE HEARING OFFICER.

(a) A Charging Official shall request either the Controller or the City Administrator ("City Representative") to appoint a hearing officer for any Debarment or Suspension proceeding. If either the Controller or the City Administrator is the Charging Official, then that City Representative shall request the other to appoint the hearing officer.

(b) Within 14 Days of the Charging Official's request, the City Representative shall appoint a hearing officer and notify the Contractor and the Charging Official of the appointment. The appointed hearing officer shall be an attorney licensed to practice in California, with not less than five years experience. The notice of

appointment shall include the name of the hearing officer. The Contractor or the Charging Official may object to the appointed hearing officer within five business days of the notification. If the City Representative, at the City Representative's sole discretion, appoints a new hearing officer, then the City Representative shall notify the Contractor and the Charging Official as soon as practicable but not more than 14 Days after receipt of the objection.

– (Added by Ord. 8-04, File No. 031503, App. 1/16/2004; amended by Ord. [239-20](#), File No. 200896, App. 11/25/2020, Eff. 12/26/2020)

---

## **SEC. 28.9. PRE-HEARING PROCEDURE.**

(a) Within 14 Days of appointment, the hearing officer shall notify each Contractor named in the Counts and Allegations or Suspension Order and the Charging Official, the Controller, the City Administrator and the City Attorney of the scheduled hearing date. The hearing date shall be set at the hearing officer's sole discretion except, for a Debarment hearing, the hearing must commence within 120 Days of the date the Charging Official served the Counts and Allegations; a Suspension hearing must commence within 30 Days of the date the Suspended Contractor requested a hearing pursuant to Section 28.6(b) <sup>1</sup> The hearing officer may extend the deadline for holding a hearing only upon good cause shown; proceeding as expeditiously as possible is in the public's best interests.

(b) Discovery pursuant to the California Code of Civil Procedure is not applicable to this administrative debarment or suspension procedure.

(c) The hearing officer shall have the sole discretionary authority to direct any named Contractor and the Charging Official to submit in advance of the hearing statements, legal analyses, lists of witnesses, exhibits, documents or any other information the hearing officer deems pertinent. The hearing officer may request the respective parties to submit rebuttals to such information. The hearing officer may limit the length, scope, or content of any such statement, analysis, list, rebuttal, document, or other requested information. The hearing officer shall set firm due dates for all written presentations.

(d) If the hearing officer determines, with the written agreement of each named Contractor and the Charging Official, that the hearing shall be by written presentation, all final writings shall be due no later than 120 Days of the date the Charging Official served the Counts and Allegations or Order of Suspension.

(Added by Ord. 8-04, File No. 031503, App. 1/16/2004; amended by Ord. [239-20](#), File No. 200896, App. 11/25/2020, Eff. 12/26/2020)

### **CODIFICATION NOTE**

– 1. So in Ord. [239-20](#).

---

## **SEC. 28.10. HEARINGS AND DETERMINATIONS.**

(a) Hearings may occur in person, on an electronic meeting platform if deemed necessary by the hearing officer, or in writing, as set forth in the foregoing Section 28.09. <sup>1</sup> If the hearing is to occur in person or on an electronic meeting platform, the hearing officer shall specify the time and place for the Charging Official to present the case and for the Contractor to rebut the charges. The hearing officer shall have the sole discretion to allow offers of proof, set time limitations, and limit the scope of evidence presented based on relevancy.

(b) The Charging Official shall present evidence in support of the Debarment or Suspension to the hearing officer. The Contractor may present evidence in defense and/or mitigation. Each side shall be entitled to call witnesses, and the hearing officer may allow cross-examination of witnesses. The hearing officer may ask questions of any party.

(c) The hearing officer shall consider the evidence submitted by the Charging Official and the Contractor. Within 14 Days of the hearing, or of the date final written presentations are due, the hearing officer shall issue Findings and a Decision. The hearing officer shall serve the Findings and Decision on the Charging Official, the named Contractor(s), and/or their respective counsels or authorized representatives, and shall submit the same to the Controller, City Administrator, and City Attorney.

(d) If the hearing officer finds that the named Contractor has committed willful misconduct as described in Section 28.3 and orders a term of Debarment, the Charging Official shall issue an Order of Debarment consistent with the hearing officer's decision. The Charging Official shall serve the Order on each named Contractor, their counsel or authorized representative, if any, the City Attorney, the City Administrator, and the Controller. An Order of Debarment under this Chapter 28 shall be the final administrative determination by the City in the matter.

(e) For a Suspended Contractor, the hearing officer may consider evidence and argument by the Contractor to support its assertion that the City should terminate the Order of Suspension, provided that the Charging Official shall be entitled to offer evidence and argument in opposition to the Contractor's assertion. If the Contractor establishes that the underlying basis of the Order of Suspension has been finally resolved without a verdict, judgment, settlement agreement or plea agreement against the Contractor, the hearing officer shall terminate the Order of Suspension. An Order of Suspension upheld by a hearing officer under this Chapter shall be the final administrative determination by the City in the matter. Any termination of an Order of Suspension shall not preclude a Charging Officer from initiating Debarment proceedings against the Contractor based on the underlying conduct of the Suspension Order pursuant to section 28.4 following termination of the Order of Suspension.

(Added by Ord. 8-04, File No. 031503, App. 1/16/2004; amended by Ord. [239-20](#), File No. 200896, App. 11/25/2020, Eff. 12/26/2020)

#### CODIFICATION NOTE

- 1. So in Ord. [239-20](#).

---

## **SEC. 28.11. TERM AND EFFECT OF ADMINISTRATIVE DEBARMENT OR ORDER OF SUSPENSION; VIOLATION OF ORDER.**

(a) An Order of Debarment shall provide for a term of Debarment not to exceed five years from the date of the Order. An Order of Suspension shall remain in effect until the Contractor establishes to the Charging Officer or the City Administrator that the underlying basis of the Order of Suspension has been finally resolved without a verdict, judgment, or plea agreement against Contractor.

(b) At any time during the pendency of an Order of Suspension, the City may initiate debarment proceedings against the Contractor. If the City suspends and later debar a Contractor for the same underlying conduct, the period of Suspension shall count towards the period of Debarment.

(c) An Order of Debarment or Suspension shall prohibit any named Contractor and the Contractor's affiliates from participating in any contract or grant at any tier, directly or indirectly, with or for the City; any Contractor and the Contractor's affiliates named in an Order of Debarment shall be deemed irresponsible and disqualified for the purposes of all City contracts and grants. Upon such Order, any department head, board, or commission may cancel any existing contract or grant with a Suspended or Debarred Contractor or direct the cancellation of an existing subcontract to which a Suspended Debarred Contractor<sup>1</sup> is a party. In the event of such cancellation, the Suspended or Debarred Contractor's recovery under the contract or grant shall be limited to compensation for work satisfactorily completed as of the date of cancellation.

(d) Administrative Debarment shall neither exclude nor preclude any other administrative or legal action taken by the City against the Contractor.

(e) Violation of an Order of Suspension or Debarment, such as by submission of a proposal, bid or sub-bid or grant request, during the Suspension or Debarment period, may be considered a false claim as provided in this Administrative Code and the California Government Code.

(Added by Ord. 8-04, File No. 031503, App. 1/16/2004; redesignated and amended by Ord. [239-20](#), File No. 200896, App. 11/25/2020, Eff. 12/26/2020)

#### CODIFICATION NOTE

- 1. So in Ord. [239-20](#).

---

## **SEC. 28.12. PUBLICATION AND REPORTS OF DEBARMENT OR SUSPENSION.**

Any Order of Debarment or Suspension issued under this Chapter 28 shall be a public record. 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.

(Added by Ord. 8-04, File No. 031503, App. 1/16/2004; redesignated and amended by Ord. [239-20](#), File No. 200896, App. 11/25/2020, Eff. 12/26/2020)

- (Former Sec. 28.12 added by Ord. 8-04, File No. 031503, App. 1/16/2004; redesignated as Sec. 28.11 by Ord. [239-20](#), File No. 200896, App. 11/25/2020, Eff. 12/26/2020)
- 1. 11/25/2020, Eff. 12/26/2020)

---

## **SEC. 28.13. [REDESIGNATED.]**

(Former Sec. 28.13 added by Ord. 8-04, File No. 031503, App. 1/16/2004; redesignated as Sec. 28.12 by Ord. [239-20](#), File No. 200896, App. 11/25/2020, Eff. 12/26/2020)