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Price-Gouging Company to Pay City \$1.18 Million

United Site Services overcharged for shower trailers during COVID State of Emergency

City Attorney Mara W. Elliott today announced that the City will be paid more than \$1.18 million to resolve a price-gouging lawsuit she filed against a company that more than doubled its price for portable shower trailers during the height of the COVID State of Emergency.

Under the settlement agreement, the City will receive \$1,185,467 from the defendant United Site Services of California. Of that amount, \$942,404 is restitution for the overcharges (a figure derived through close examination of company records) and \$243,063 is penalties and costs.

The lawsuit accused United Site Services of more than doubling the price it charged to provide shower trailers for homeless shelters beginning in March 2020, a time when an executive order signed by Gov. Gavin Newsom prohibited companies from increasing prices more than 10 percent. The overcharges continued for more than a year. While City staff recognized that the prices were inflated, the City had no other options.

The City Attorney alleged as part of the lawsuit that the company made it clear that the trailers were in high demand and if the City did not meet its price, some other municipal customer would. The City, desperate to meet the needs of its homeless population, paid the price. The City Attorney sued United Site Services last year for violation of the California Unfair Competition Law. The settlement amount represents a comprehensive audit of invoices to pinpoint the exact amount overcharged.

"COVID brought out the best in most of us. We checked in on one another and made sure that our most vulnerable had essential supplies and support during isolation. Unfortunately, others saw this unprecedented crisis as an opportunity to unfairly line their pockets," City Attorney Mara W. Elliott said. "We fought hard and got every dollar the law allowed from United Site Services to make this situation right."

The lawsuit was filed by Deputy City Attorney Julie Rau of the City Attorney's Affirmative Civil Enforcement Unit under the supervision of Senior Chief Deputy City Attorney Mark Ankcorn. ###

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