[SETTLEMENT OF LAWSUIT]

ORDINANCE NO. 3/4-98

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AUTHORIZING THE CITY TO RELEASE, DISCHARGE, DEFEND, AND INDEMNIFY CROSS-DEFENDANTS A. RUIZ CONSTRUCTION COMPANY ("RUIZ"), HALEY & ALDRICH ("HALEY"), EPC CONSULTANTS, INC. ("EPC"), AND UNDERGROUND CONSTRUCTION MANAGERS ("UNDERGROUND"), AS CONSIDERATION FOR THE APPROVED \$7.816.666 SETTLEMENT PAYMENT TO THE CITY IN THE CONSOLIDATED ACTIONS ENTITLED YEE V. CITY AND COUNTY OF SAN FRANCISCO, AND CONSOLIDATED **ACTIONS** 

Section 1. The City Attorney is hereby authorized to include an indemnity provision in the settlement agreement between the City and County of San Francisco and Crossdefendants A. Ruiz Construction Company ("Ruiz"), Haley & Aldrich ("Haley"), EPC Consultants, Inc. ("EPC"), and Underground Construction Managers ("Underground") for the consolidated actions entitled Yee v. City and County of San Francisco, and consolidated actions, San Francisco Superior Court No. 980-740. As part of that settlement the Board of Supervisors has already approved a combined settlement payment from the crossdefendants to the City in the amount of \$7,816,666, plus an additional payment by Haley to the City to reimburse the City for a portion of its litigation costs incurred in defense of the third-party claims in the referenced litigation. As consideration for this settlement, in addition to dismissal of its cross-complaints, the City will also agree to release, discharge, defend, and indemnify the settling cross-defendants from all claims, actions, and causes of action for damages caused by the December 11, 1995 Seacliff sinkhole incident. The City will continue

1	to maintain its rights to pursue its action against contractors Shank Balfour/Beatty and its			
2	insurance carriers.			
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<b>4</b> 5	APPROVED AS TO FORM:		RECOMMENDED:	
6	LOUISE H. RENNE, City Attorney	PUBI	LIC UTILITIES COMMISSION	
7 8 9	By: Jaline Mahoney PATRICK J. MAHONEY Chief Trial Deputy	Ву:	ANSON MORAN General Manager	
10 11 12 13 14 15 16 17 18 19 20 21	FUNDS AVAILABLE: By: EDWARD HARRINGTON Controller			

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## Board of Supervisors, San Francisco

Passed on First Reading	<pre>§ Finally Passed §</pre>
September 28, 1998	<pre>\$ October 5, 1998 \$</pre>
Ayes: Supervisors Ammiano Brown Katz Leno Medina Newsom Teng Yaki Yee	<pre>\$ Ayes: Supervisors Ammiano Brown \$ Kaufman Leno Newsom Teng Yee \$ \$</pre>
Absent: Supervisors Bierman Kaufman	<pre>\$ Absent: Supervisors Bierman Katz \$ Medina Yaki</pre>

I hereby certify that the foregoing ordinance was finally passed by the Board of Supervisors of the City and County of San Francisco

File No. 98-1470

OCT 1 6 1998

Date Approved

Mayor