

1 [Settlement of Lawsuit - RES System 3, LLC - \$2,600,000]

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3 **Ordinance authorizing settlement of the lawsuit filed by RES System 3, LLC against the**
4 **City and County of San Francisco for \$2,600,000; the lawsuit was filed on September**
5 **26, 2022, in San Francisco Superior Court, case number CGC-22-601949, and later**
6 **transferred to Alameda County Superior Court, case number 23-CV-037877; entitled**
7 **RES System 3, LLC v. City and County of San Francisco Public Utilities Commission;**
8 **the lawsuit involves alleged breach of contract and related cost impacts arising from**
9 **the design and construction of the Warnerville electrical substation in Oakdale,**
10 **California; other material terms of the settlement are a mutual release of claims**
11 **between the parties with limited exceptions for latent defects and warranty items.**
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13 Be it ordained by the People of the City and County of San Francisco:

14 Section 1. Pursuant to Charter Section 6.102(5), the Board of Supervisors hereby
15 authorizes the City Attorney to settle the action entitled RES Systems 3, LLC v. City and
16 County of San Francisco Public Utilities Commission, Alameda County Superior Court, Case
17 No. 23-CV-037877 by the payment of \$2.6 million. The lawsuit involves alleged breach of
18 contract and related impacts arising from the design and construction of the Warnerville
19 electrical substation in Oakdale, California.

20 Section 2. The above-named action was filed in San Francisco Superior Court on
21 September 26, 2022, and later transferred to Alameda County Superior Court, and the
22 following parties were named in the lawsuit: RES System 3, LLC and the City and County of
23 San Francisco's Public Utilities Commission.
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1 APPROVED AS TO FORM AND
2 RECOMMENDED:

3 DAVID CHIU
4 City Attorney

RECOMMENDED:

SAN FRANCISCO PUBLIC UTILITIES
COMMISSION

5 /s/
6 ELAINE O'NEIL
7 Team Leader Construction and Public
8 Contracts

/s/
DENNIS HERRERA
General Manager

9 FUNDS AVAILABLE:

APPROVED/RECOMMENDED

10 /s/ Greg Wagner
11 GREG WAGNER
12 Controller

/s/
CIRILO ESPINOZA
Acting Commission Secretary, San Francisco
Public Utilities Commission