

1 [Settlement of Lawsuit - John Russo Industrial Sheetmetal, Inc., dba JRI, Inc. - \$2,100,000]

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3 **Ordinance authorizing settlement of the lawsuit filed by John Russo Industrial**  
4 **Sheetmetal, Inc., a California corporation, dba JRI, Inc. (“JRI”) against the City and**  
5 **County of San Francisco for \$2,100,000 and other material terms; the lawsuit was filed**  
6 **on June 17, 2010, in Alameda County Superior Court Case No. HG10520625, entitled**  
7 **JRI, Inc. v. City and County of San Francisco, et al., related to the contract for the**  
8 **manufacture and delivery of two Aircraft Rescue Fire Fighting vehicles for use at San**  
9 **Francisco International Airport (“Airport”); other material terms of said settlement**  
10 **include that the City will convert the prior termination of JRI’s contract for default to a**  
11 **termination for convenience; for five years, JRI will not bid on any Airport contracts,**  
12 **including as a subcontractor, or challenge any Airport procurements; and the parties**  
13 **mutually release all claims relating to the contract or the lawsuit.**

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15 Be it ordained by the People of the City and County of San Francisco:

16 Section 1. Pursuant to Charter, Section 6.102(5), the Board of Supervisors hereby  
17 authorizes the City Attorney to settle the action entitled JRI, Inc. v. City and County of San  
18 Francisco, et al., Alameda County Superior Court Case No. HG10520625, by the payment of  
19 \$2,100,000. As detailed in the settlement agreement, the other material terms of the  
20 settlement include:

21 a. The City will convert the prior termination of JRI’s contract for default to a  
22 termination for convenience.

23 b. For five years, JRI will not bid on any Airport contracts, including as a  
24 subcontractor, or challenge any Airport procurements.

1           c.           During that five-year period, except as otherwise required by law or court  
2 order, the parties will direct their employees and agents to respond, if asked, about the  
3 contract, litigation, or its resolution, by stating only, “The City and County of San Francisco  
4 and John Russo Industrial Sheetmetal, Inc. agree that they have amicably resolved their  
5 dispute regarding Contract No. 72271 and this contract is terminated for convenience and not  
6 for default.”

7           d.           The parties mutually release all claims relating to the Contract or the  
8 Action.

9           Section 2.    The above-named action was filed in Alameda County Superior Court on  
10 June 17, 2010 by plaintiff John Russo Industrial Sheetmetal, Inc., a California corporation, dba  
11 JRI, Inc. against defendants the City and County of San Francisco and the San Francisco  
12 International Airport.

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APPROVED AS TO FORM AND  
RECOMMENDED:

DENNIS J. HERRERA  
City Attorney

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ELAINE O'NEIL  
Deputy City Attorney  
Construction and Public Contracting  
Team Leader

FUNDS AVAILABLE:

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BEN ROSENFELD  
Controller

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RECOMMENDED:

SAN FRANCISCO AIRPORT COMMISSION

\_\_\_\_\_  
JOHN L. MARTIN  
Airport Director

APPROVED:

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Secretary, Airport Commission