

1 [Settlement of Contractual Dispute and Unlitigated Government Claim]

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4 **Resolution authorizing settlement of an unlitigated claim filed by Schram Construction,**
5 **Inc. against the City and County of San Francisco for \$77,587.00; other material terms**
6 **of said settlement are: (1) each party shall mutually release each other from all claims**
7 **arising from the performance of PUC Contract CW 263R2 except for latent defect,**
8 **warranty work, and punch list work as outlined in the settlement agreement; (2) Schram**
9 **Construction, Inc. will withdraw the government claim #06-03356 it filed on or about**
10 **June 22, 2006 against the City and County of San Francisco; and (3) Each party shall**
11 **bears its own legal costs and fees.**

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13 WHEREAS, The City and County of San Francisco (the "City"), through the San
14 Francisco Public Utilities Commission ("PUC"), and Schram Construction, Inc. ("SCI") entered
15 into a contract, CW 263R2 (the "Contract"), for a construction of an Interim Gravity Belt
16 Thickener (the "Project") at the Southeast Water Pollution Control Plant on or about
17 November 23, 2003;

18 WHEREAS, The Contract price was originally \$3,570,320.18;

19 WHEREAS, Disagreements about change orders and other adjustments to the
20 Contract price for the Project arose between the PUC and SCI;

21 WHEREAS, SCI filed Government Claim #06-033356 because of SCI's dissatisfaction
22 with the PUC over the contractual disagreements;

23 WHEREAS, The City and SCI have entered into an agreement settling their differences
24 over the contract negotiations.

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1 WHEREAS, The City agrees to pay SCI an additional \$77,587.00 in settlement of all
2 outstanding monetary claims and other damages on the part of both sides; now, therefore, be
3 it

4 RESOLVED, That PUC is hereby authorized to settle the unlitigated government claim
5 #06-03356 filed by SCI and SCI's other monetary and non-monetary damage claims arising
6 out of the Project; and, be it

7 FURTHER RESOLVED, That The City is authorized to pay \$77,587.00 to SCI as part
8 of the settlement; and, be it

9 FURTHER RESOLVED, That SCI will complete the remaining work on the Project as
10 set forth in the Settlement Agreement; and be it

11 FURTHER RESOLVED, that both sides will relinquish all claims against each other and
12 mutually to release each other from all claims arising from the performance of the Contract,
13 including government claim #06-033356, except for responsibilities for latent defect,
14 warranties, and punch list work, as set forth in the settlement agreement; and be it

15 FURTHER RESOLVED THAT Each side will bear its own costs and attorneys fees
16 arising out of this matter.

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APPROVED AS TO FORM
AND RECOMMENDED:
DENNIS J. HERRERA, City Attorney

RECOMMENDED:
SAN FRANCISCO PUBLIC UTILITIES
COMMISSION

By: _____
GEORGE WONG
Deputy City Attorney

SUSAN LEAL
General Manager

FUNDS AVAILABLE:

APPROVED:

EDWARD HARRINGTON
Controller

SECRETARY OF COMMISSION
Public Utilities Commission