

1 [Settlement of Lawsuit - Cal State Constructors, Inc. - \$500,000]

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3 **Ordinance authorizing settlement of the lawsuit filed by Cal State Constructors, Inc.**  
4 **("Cal State") against the City and County of San Francisco for \$500,000; the lawsuit**  
5 **was filed on November 25, 2014, in the Superior Court of California, County of San**  
6 **Francisco, Case No. CGC-14-542910; entitled Cal State Constructors, Inc. v. City and**  
7 **County of San Francisco; other material terms of said settlement are that the City**  
8 **reserves all rights to pursue claims against Cal State for, and Cal State shall retain**  
9 **responsibility for, latent defects; all extant express and implied warranties under the**  
10 **contract shall remain in full force and effect; Cal State will defend, indemnify, and hold**  
11 **the City harmless from all subcontractor claims; the City and Cal State will execute a**  
12 **mutual release; and the City and Cal State will each bear its own fees and costs.**

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

15 Section 1. Pursuant to Charter, Section 6.102(5), the Board of Supervisors hereby  
16 authorizes the City Attorney to settle the action entitled Cal State Constructors, Inc. v. City  
17 and County of San Francisco, Superior Court of California, County of San Francisco, Case  
18 No. CGC-14-542910 by the payment of \$500,000; the City's reservation of all rights to pursue  
19 claims against Cal State Constructors, Inc. ("Cal State") for, and Cal State's retention of  
20 responsibility for, latent defects; the continuation in full force and effect of all extant express  
21 and implied warranties under the contract; Cal State's agreement to defend, indemnify, and  
22 hold the City harmless from all subcontractor claims; the execution of a mutual release  
23 between the City and Cal State; and the City and Cal State each bearing its own fees and  
24 costs.

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1 Section 2. The above-named action was filed in Superior Court of California, County of  
2 San Francisco on November 25, 2014, and the following parties were named in the lawsuit:  
3 plaintiff Cal State Constructors, Inc., and defendant City and County of San Francisco.  
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5 APPROVED AS TO FORM AND  
6 RECOMMENDED:

7 DENNIS J. HERRERA  
8 City Attorney

9 

10 ELAINE O'NEIL  
11 Deputy City Attorney  
12 Construction and Public Contracting Team  
13 Leader

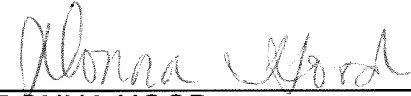
RECOMMENDED:

SAN FRANCISCO PUBLIC UTILITIES  
COMMISSION

14 

15 HARLAN KELLY, JR.  
16 General Manager

APPROVED:

17 

18 DONNA HOOD  
19 Secretary, Public Utilities Commission

20 FUNDS AVAILABLE:

21   
22 BEN ROSENFELD  
23 Controller

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**City and County of San Francisco**  
**Tails**  
**Ordinance**

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

**File Number:** 151021

**Date Passed:** December 08, 2015

Ordinance authorizing settlement of the lawsuit filed by Cal State Constructors, Inc. ("Cal State") against the City and County of San Francisco for \$500,000; the lawsuit was filed on November 25, 2014, in the Superior Court of California, County of San Francisco, Case No. CGC-14-542910; entitled Cal State Constructors, Inc. v. City and County of San Francisco; other material terms of said settlement are that the City reserves all rights to pursue claims against Cal State for, and Cal State shall retain responsibility for, latent defects; all extant express and implied warranties under the contract shall remain in full force and effect; Cal State will defend, indemnify, and hold the City harmless from all subcontractor claims; the City and Cal State will execute a mutual release; and the City and Cal State will each bear its own fees and costs.

November 12, 2015 Government Audit and Oversight Committee - RECOMMENDED..

December 01, 2015 Board of Supervisors - PASSED, ON FIRST READING

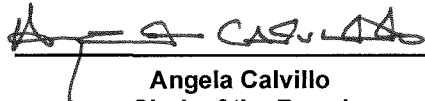
Ayes: 11 - Avalos, Breed, Campos, Christensen, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

December 08, 2015 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Avalos, Breed, Campos, Cohen, Farrell, Kim, Mar, Tang, Wiener, Yee and Peskin

File No. 151021

**I hereby certify that the foregoing Ordinance was FINALLY PASSED on 12/8/2015 by the Board of Supervisors of the City and County of San Francisco.**

  
\_\_\_\_\_  
**Angela Calvillo**  
Clerk of the Board

  
\_\_\_\_\_  
**Mayor**

12/16/15  
\_\_\_\_\_  
**Date Approved**