

1 [Settlement Of Lawsuit, Amending Ordinance 262-98]
2 AMENDING ORDINANCE 262-98 WHICH APPROVED A SETTLEMENT OF THE LAWSUIT
3 IN COMMERCIAL INTERIORS CONSTRUCTION, INC., V. CITY AND COUNTY OF SAN
4 FRANCISCO, ET AL., SAN FRANCISCO SUPERIOR COURT, CASE NO. 990-209,
5 RELATING TO THE CHINATOWN BRANCH LIBRARY PROJECT FOR \$285,016.13 AND
6 RELEASE OF THE CITY'S CLAIMS TO CONTRACT RETENTION.

7
8 Be it ordained by the People of the City and County of San Francisco:

9 Section 1. On August 3, 1998, the Board of Supervisors approved Ordinance
10 No. 262 98 authorizing City Attorney to settle the lawsuit by Commercial Interiors Construction
11 Inc. ("CICO") entitled "Commercial Interiors Construction, Inc., et al., v. City and County of
12 San Francisco, et al., San Francisco Superior Court, Court No. 990-209, by the payment of
13 \$285,016.13 and release of the City's claims on contract retention (for a total settlement
14 payment to CICO of \$400,000) upon condition that CICO (a) execute and fulfill all of its
15 obligations under the proposed settlement agreement, including the payment to
16 subcontractors of amounts due; and (b) obtain written approval of the settlement agreement
17 from CICO's MBE joint venture partner, T.E. Joo who was removed from the project early in
18 the construction because of actions taken by the Contractor's State Licensing Board
19 (collectively "settlement conditions").

20 Section 2. The settlement conditions have proved impractical and/or impossible to
21 satisfy. Golden Eagle Insurance Company, surety for the construction project at issue, has
22 requested that the settlement conditions be waived and that the settlement funds be released
23 directly to it for distribution to the subcontractors.

24 Section 3. To expedite final resolution of this matter and payment to CICO's
25 subcontractors, the settlement conditions of Ordinance No. 262-98 are waived. The \$400,000

1 settlement amount may be released directly to Golden Eagle Insurance Company for payment
2 first to CICO's subcontractors, with any remaining balance to be released to CICO and/or its
3 creditors as appropriate.

4
5 APPROVED AS TO FORM AND
6 RECOMMENDED:

DEPARTMENT OF PUBLIC WORKS

7 LOUISE H. RENNE
8 City Attorney

9 *Joanne Hoeper*
10

11 JOANNE HOEPER
12 Chief Trial Deputy

13 *Harlan L. Kelly*
14

15 HARLAN L. KELLY
16 Director of Public Works



City and County of San Francisco

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

Tails

Ordinance

File Number: 001296

Date Passed:

Ordinance amending Ordinance 262-98 which approved a settlement of the lawsuit in Commercial Interiors Construction, Inc. v. City and County of San Francisco, et al., San Francisco Superior Court, Case No. 990-209, relating to the Chinatown Branch Library Project for \$285,016.13 and release of the City's claims to contract retention.

August 7, 2000 Board of Supervisors — PASSED, ON FIRST READING

Ayes: 10 - Ammiano, Becerril, Bierman, Katz, Kaufman, Leno, Newsom, Teng,
Yaki, Yee

Absent: 1 - Brown

August 21, 2000 Board of Supervisors — FINALLY PASSED

Ayes: 11 - Ammiano, Becerril, Bierman, Brown, Katz, Kaufman, Leno, Newsom,
Teng, Yaki, Yee

File No. 001296

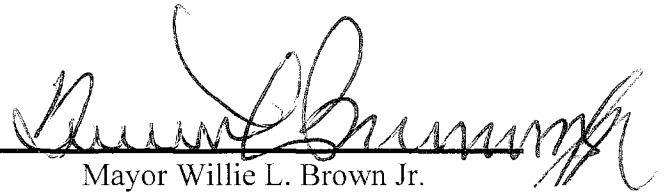
I hereby certify that the foregoing Ordinance
was **FINALLY PASSED** on August 21, 2000
by the Board of Supervisors of the City and
County of San Francisco.



Gloria L. Young
Clerk of the Board

SEP - 1 2000

Date Approved



Mayor Willie L. Brown Jr.