

1 [Settlement of Lawsuit]
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3 **Ordinance authorizing settlement of the lawsuits filed by: (1) the City and County of**
4 **San Francisco ("the "City") against Proven Management, Inc. ("Proven") on August 01,**
5 **2005, in San Francisco Superior Court Case No. CGC 05-443632, entitled, City and**
6 **County of San Francisco et. al. v. Proven Management, Inc. et. al., and (2) Proven**
7 **against the City on December 15, 2005, in Tuolumne County Superior Court Case No.**
8 **51778, entitled, Proven Management, Inc. v. City and County of San Francisco et. al.,**
9 **with (a) Proven paying the City: \$250,000 in damages; reimbursing the City up to**
10 **\$450,000 to administer corrective work; and Proven replacing valve assemblies and**
11 **correcting numerous items of work on the Baden Pumps Station Project; and**
12 **completing its contract; and (b) the City increasing Proven's contract amount on the**
13 **Priest Bypass Project by \$700,000 and releasing all contract balances.**

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

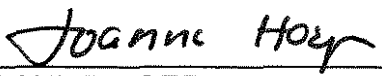
15 Section 1. The City Attorney is hereby authorized to settle the City's and Proven's
16 claims against one another in (1) San Francisco Superior Court Case No. CGC 05-443632,
17 entitled, City and County of San Francisco et. al. v. Proven Management, Inc. et. al. and (2)
18 Tuolumne County Superior Court Case No. 51778, entitled, Proven Management, Inc. v. City
19 and County of San Francisco et. al. with (a) Proven paying the City: \$250,000 in damages;
20 reimbursing the City up to \$450,000 to administer corrective work; and Proven replacing valve
21 assemblies and correcting numerous items of work on the Baden Pumps Station Project to
22 complete its contract; and (b) the City increasing Proven's contract amount on the Priest
23 Bypass Project by \$700,000 and releasing all contract balances. The City, however, will
24 retain the \$250,000 to be paid on the Baden Pump Station Project from the monies to be paid
25 by the City to Proven on the Priest Bypass project.

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Section 2. Proven is to complete its remaining and corrective contract work on the Baden Pump Station Project within nine months of the Public Utilities Commission's issuance of the notice to proceed.

APPROVED AS TO FORM AND RECOMMENDED:

DENNIS J. HERRERA
City Attorney



JOANNE HOEPER
Chief Trial Deputy

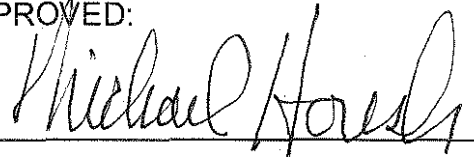
RECOMMENDED:

SAN FRANCISCO
PUBLIC UTILITIES COMMISSION



SUSAN LEAL
General Manager *for:*

APPROVED:



Secretary of the PUBLIC UTILITIES
COMMISSION



City and County of San Francisco

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

Tails Ordinance

File Number: 070559

Date Passed:

Ordinance authorizing settlement of the lawsuits filed by: (1) the City and County of San Francisco ("the "City") against Proven Management, Inc. ("Proven") on August 01, 2005, in San Francisco Superior Court Case No. CGC 05-443632, entitled, City and County of San Francisco et. al. v. Proven Management, Inc. et. al., and (2) Proven against the City on December 15, 2005, in Tuolumne County Superior Court Case No. 51778, entitled, Proven Management, Inc. v. City and County of San Francisco et. al., with (a) Proven paying the City: \$250,000 in damages; reimbursing the City up to \$450,000 to administer corrective work; and Proven replacing valve assemblies and correcting numerous items of work on the Baden Pumps Station Project; and completing its contract; and (b) the City increasing Proven's contract amount on the Priest Bypass Project by \$700,000 and releasing all contract balances.

June 5, 2007 Board of Supervisors — PASSED, ON FIRST READING

Ayes: 10 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Jew, Maxwell,
McGoldrick, Mirkarimi, Peskin

Absent: 1 - Sandoval

June 12, 2007 Board of Supervisors — FINALLY PASSED

Ayes: 10 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Jew, Maxwell,
McGoldrick, Mirkarimi, Peskin

Absent: 1 - Sandoval

File No. 070559

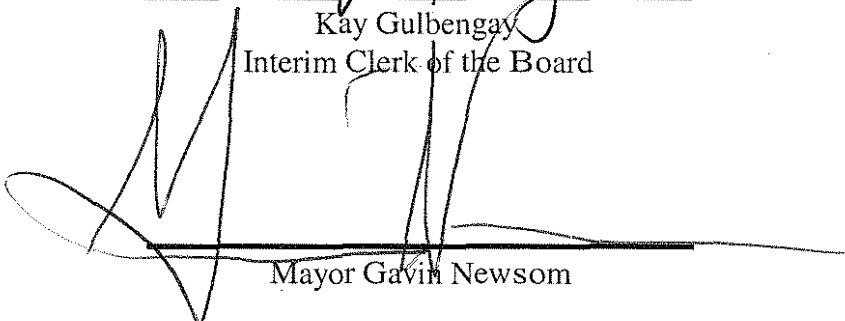
I hereby certify that the foregoing Ordinance was FINALLY PASSED on June 12, 2007 by the Board of Supervisors of the City and County of San Francisco.



Kay Gulbengay
Interim Clerk of the Board

JUN 22 2007

Date Approved



Mayor Gavin Newsom