

1 [Settlement Of Lawsuit]

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3 **Ordinance authorizing settlement of the lawsuit filed by JMB Construction, Inc., against**
4 **the City and County of San Francisco, for \$200,000; the lawsuit was filed on June 10,**
5 **2002, in San Francisco Superior Court, Unlimited Jurisdiction, Case No. 408-928;**
6 **entitled JMB Construction, Inc. v. City and County of San Francisco; other material**
7 **terms of said settlement are: (1) The City reserves all rights to pursue claims against**
8 **JMB for latent defects in the contract work, and JMB agrees to retain full responsibility**
9 **for latent defects in the contract work; (2) All warranties under the contract and which**
10 **are not yet expended shall remain in full force and effect; (3) The City shall retain**
11 **responsibility for any future claims made by Union Pacific Railroad Company ("Union**
12 **Pacific") arising from the contract, except that JMB shall retain full responsibility for**
13 **any claims by Union Pacific arising from damage caused by JMB; (3) In consideration**
14 **for the proposed settlement payment, JMB has agreed to dismiss the Action with**
15 **prejudice in its entirety; and (4) the City and JMB each shall bear its own legal costs**
16 **and fees arising from this action;**

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

18 Section 1. The City Attorney is hereby authorized to settle the action entitled "JMB
19 Construction, Inc. v. City and County of San Francisco, San Francisco Superior Court,
20 Unlimited Jurisdiction, Case No. 408-928, by the payment of \$200,000 to JMB Construction,
21 Inc. In addition, the settlement shall contain the following material terms: (1) The City
22 reserves all rights to pursue claims against JMB for latent defects in the contract work, and
23 JMB agrees to retain full responsibility for latent defects in the contract work; (2) All warranties
24 under the contract and which are not yet expended shall remain in full force and effect; (3)
25 The City shall retain responsibility for any future claims made by Union Pacific Railroad

1 Company ("Union Pacific") arising from the contract, except that JMB shall retain full
2 responsibility for any claims by Union Pacific arising from damage caused by JMB; (3) JMB
3 shall dismiss the Action with prejudice in its entirety; and (4) the City and JMB each shall bear
4 its own legal costs and fees arising from this action;.

5 Section 2. The above-named action was filed in San Francisco Superior Court on June
6 10, 2002, and the following party is named in the lawsuit: City and County of San Francisco.

7 APPROVED AS TO FORM AND
8 RECOMMENDED:

RECOMMENDED:

9 DENNIS J. HERRERA
10 City Attorney

SAN FRANCISCO PUBLIC UTILITIES
COMMISSION

11 _____
12 JOANNE HOEPER
13 Chief Trial Deputy

PATRICIA E. MARTEL
General Manager, San Francisco Public
Utilities Commission

14 FUNDS AVAILABLE:

APPROVED:

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Secretary, Public Utilities Commission

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18 EDWARD HARRINGTON
19 Controller

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