

1 [Settlement of Unlitigated Claims - Jacobs Engineering Group, Inc. - \$168,556]

2  
3 **Resolution approving the settlement of the unlitigated claims between Jacobs**  
4 **Engineering Group, Inc. (“Jacobs”) and the City and County of San Francisco for**  
5 **\$168,556; no formal claim has been filed; the potential claim involves Jacobs’ demand**  
6 **for payment of the entire withheld contract balance of \$337,111 under its Construction**  
7 **Management Services Agreement with the City, Contract No. CS-914 (the “CM**  
8 **Contract”) related to water pipeline installation contract as part of the City’s Water**  
9 **System Improvement Program; additional material terms of the settlement are the**  
10 **parties’ mutual release of claims.**

11  
12 WHEREAS, Jacobs Engineering Group, Inc. (“Jacobs”) demanded payment of the  
13 entire withheld contract balance of \$337,111 under its Construction Management Services  
14 Agreement with the City, Contract No. CS-914 (the “CM Contract”) related to water pipeline  
15 installation contract as part of the City’s Water System Improvement Program; and

16 WHEREAS, The claim involves Jacobs’ assertion of its reservation of rights in  
17 undertaking City’s defense against the lawsuit In re: Mountain Cascade Contract Litigation,  
18 San Mateo County Superior Court, Master File No. CIV 519255 (the “MCI Action”), previously  
19 settled between the City and Mountain Cascade, Inc. by Ordinance No. 179-15; Jacobs’  
20 dispute of its liability for the full scope of City’s tendered defense costs; and Jacobs’ demand  
21 for payment of the entire withheld CM Contract balance; and

22 WHEREAS, The San Francisco Public Utilities Commission has recommended  
23 settlement of the claim by payment of \$168,556 and the parties’ mutual release of all claims  
24 related to or arising out of the CM Contract, Construction Management services provided by  
25 Jacobs thereunder, or to the MCI Action; now, therefore, be it

1           RESOLVED, That pursuant to Administrative Code, Section 10.22, the Board of  
2 Supervisors hereby authorizes the City Attorney to settle and compromise the claim by  
3 payment of \$168,556 and the parties' mutual release of all claims related to or arising out of  
4 the CM Contract, Construction Management services provided by Jacobs thereunder, or to  
5 the MCI Action.

6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

APPROVED:

DENNIS J. HERRERA  
City Attorney

\_\_\_\_\_  
ELAINE O'NEIL  
Deputy City Attorney  
Construction and Public Contracting  
Team Leader

FUNDS AVAILABLE:

\_\_\_\_\_  
BEN ROSENFELD  
Controller

n:\constr\li2016\131300\01110864.docx

RECOMMENDED:

SAN FRANCISCO PUBLIC UTILITIES  
COMMISSION

\_\_\_\_\_  
HARLAN L. KELLY, JR.  
General Manager of the San Francisco  
Public Utilities Commission

APPROVED:

\_\_\_\_\_  
DONNA HOOD  
Secretary, Public Utilities Commission