

1 [Contingency Fee Agreement.]

2
3 **Resolution approving and authorizing a contingency fee agreement between the City**
4 **and a law firm selected by the City Attorney, in connection with the litigation initiated**
5 **by the City Attorney against Scott Company of California and related entities over**
6 **construction projects at the San Francisco International Airport.**

7
8 WHEREAS, The City Attorney has initiated litigation against Scott Company of
9 California and related entities, on behalf of San Francisco and the People of the State of
10 California, entitled City and County of San Francisco et al. v. Scott Company of California, et
11 al., United States Superior Court of Santa Clara, Case No. CV 787323 (filed September 23,
12 1999) (the "Litigation"); and,

13 WHEREAS, The Litigation involves allegations of fraudulent practices on the part of
14 City contractors involved in the remodeling of the San Francisco International Airport, and,

15 WHEREAS, Corrupt and fraudulent practices by City contractors have cost San
16 Francisco millions of dollars, diverted funds from projects that would have benefited the public
17 and generated revenue for San Francisco, and undermined the public's faith in the integrity of
18 public contracting in general and San Francisco's minority contracting program in particular;
19 and,

20 WHEREAS, The Litigation is likely to entail analysis of numerous complex factual and
21 legal issues, review and analysis of hundreds of thousands of documents, interviews and
22 depositions of hundreds of potential party and non-party witnesses and expenditure of
23 thousands of hours of attorney, paralegal, database specialist and investigator time; and,

24 WHEREAS, The City Attorney seeks to retain high quality counsel with expertise in
25 False Claims-related litigation to assist the City Attorney in litigating this case and to provide

1 additional staff and funds to augment the resources of the City Attorney's Office and San
2 Francisco that are available to prosecute such litigation, and,

3 WHEREAS, The City Attorney proposes to enter into a contingency fee agreement (the
4 "Agreement") with such counsel to leverage the City's resources and reduce the risk to San
5 Francisco; and,

6 WHEREAS, A copy of the proposed Agreement is on file with the Clerk of the Board of
7 Supervisors in File No. ⁰³¹²⁴³, which is hereby declared to be a part of this resolution as if set
8 forth fully herein; and,

9 WHEREAS, The Charter vests the City Attorney with authority to represent San
10 Francisco in legal proceedings and to retain consultants and outside legal counsel to assist
11 him with such representation; now, therefore, be it

12 RESOLVED, That the Board of Supervisors approves a contingency fee agreement for
13 the Litigation on terms and conditions consistent with those contained in the Agreement and
14 authorizes the City Attorney to enter into such a contingency fee agreement with a law firm
15 chosen by the City Attorney to assist the City Attorney in prosecuting the Litigation.

16
17 Dated: July 15, 2003

18 DENNIS J. HERRERA
19 City Attorney
20 JOANNE HOEPER
21 Chief Trial Attorney

22 By: Joanne Hoepfer for
23 DENNIS J. HERRERA

24 Attorneys for Defendant
25 CITY AND COUNTY OF SAN FRANCISCO



City and County of San Francisco

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

Tails Resolution

File Number: 031243

Date Passed:

Resolution approving and authorizing a contingency fee agreement between the City and a law firm selected by the City Attorney, in connection with the litigation initiated by the City Attorney against Scott Company of California and related entities over construction projects at the San Francisco International Airport.

December 9, 2003 Board of Supervisors — ADOPTED

Ayes: 10 - Ammiano, Daly, Dufty, Gonzalez, Hall, Ma, Maxwell, McGoldrick,
Peskin, Sandoval

Excused: 1 - Newsom

File No. 031243

I hereby certify that the foregoing Resolution was ADOPTED on December 9, 2003 by the Board of Supervisors of the City and County of San Francisco.

DEC 12 2003

Date Approved

Kay Luby

for Gloria L. Young
Clerk of the Board

Willie L. Brown Jr.

Mayor Willie L. Brown Jr.