

File No. 190323

Committee Item No. 10

Board Item No. 12

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight

Date: April 18, 2019

Board of Supervisors Meeting:

Date: April 30, 2019

#### Cmte Board

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|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/>            | <input type="checkbox"/>            | Motion                                       |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Resolution                                   |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Ordinance                                    |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Legislative Digest                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Youth Commission Report                      |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Introduction Form                            |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/>            | MOU  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Subcontract Budget                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Public Correspondence                        |

#### OTHER

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| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Committee Report Request Memo - April 11, 2019</u> |
| <input type="checkbox"/>            | <input type="checkbox"/>            | _____   |
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Prepared by: John Carroll

Date: April 11, 2019

Prepared by: John Carroll

Date: April 19, 2019

BOARD of SUPERVISORS



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco 94102-4689  
Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 554-5227

## MEMORANDUM

GOVERNMENT AUDIT AND OVERSIGHT COMMITTEE

SAN FRANCISCO BOARD OF SUPERVISORS

TO: Supervisor Gordon Mar, Chair  
Government Audit and Oversight Committee

FROM: John Carroll, Assistant Clerk

DATE: April 19, 2019

SUBJECT: **COMMITTEE REPORT, BOARD MEETING**  
Tuesday, April 23, 2019

The following file should be presented as a COMMITTEE REPORT at the Board meeting, Tuesday, April 23, 2019. This item was acted upon at the regular Government Audit and Oversight Committee meeting on Thursday, April 18, 2019, at 10:00 a.m., by the votes indicated.

Item No. 22                      File No. 190323

Ordinance authorizing settlement of the lawsuit filed by Webcor Construction, L.P. ("Webcor") against the City and County of San Francisco for \$9,750,000; the action against the City and County of San Francisco was filed on August 15, 2017, in the Superior Court of California, County of San Francisco, Case No. CGC-16-555423, entitled Keenan Hopkins Suder & Stowell Contractors, Inc. vs. Webcor Construction LP et al.; the lawsuit involves an alleged failure to provide complete and accurate designs under the terms of a construction contract related to the San Francisco General Hospital Rebuild Program; material terms of the settlement are that the City will pay Keenan Hopkins Suder & Stowell Contractors, Inc. ("Keenan") \$9,750,000 and Webcor will pay Keenan \$5,500,000.

RECOMMENDED AS A COMMITTEE REPORT

Vote: Supervisor Gordon Mar - Aye  
Supervisor Vallie Brown - Absent  
Supervisor Aaron Peskin - Absent  
Supervisor Sandra Lee Fewer - Aye

Cc: Board of Supervisors  
Angela Calvillo, Clerk of the Board  
Alisa Somera, Legislative Deputy  
Jon Givner, Deputy City Attorney

1 [Settlement of Lawsuit - Webcor Construction, L.P. and Keenan Hopkins Suder & Stowell  
2 Contractors, Inc. - \$9,750,000]

3 Ordinance authorizing settlement of the lawsuit filed by Webcor Construction, L.P.  
4 (“Webcor”) against the City and County of San Francisco for \$9,750,000; the action  
5 against the City and County of San Francisco was filed on August 15, 2017, in the  
6 Superior Court of California, County of San Francisco, Case No. CGC-16-555423,  
7 entitled Keenan Hopkins Suder & Stowell Contractors, Inc. vs. Webcor Construction LP  
8 et al.; the lawsuit involves an alleged failure to provide complete and accurate designs  
9 under the terms of a construction contract related to the San Francisco General  
10 Hospital Rebuild Program; material terms of the settlement are that the City will pay  
11 Keenan Hopkins Suder & Stowell Contractors, Inc. (“Keenan”) \$9,750,000 and Webcor  
12 will pay Keenan \$5,500,000.

13  
14 Be it ordained by the People of the City and County of San Francisco:

15 Section 1. Pursuant to Charter Section 6.102(5), the Board of Supervisors hereby  
16 authorizes the City Attorney to settle the action entitled Keenan Hopkins Suder & Stowell  
17 Contractors, Inc. vs. Webcor Construction LP et al., Superior Court of California, County of  
18 San Francisco, Case No. CGC-16-555423 by the payment of \$9,750,000. The lawsuit  
19 involves an alleged failure to provide complete and accurate designs under the terms of a  
20 construction contract related to the San Francisco General Hospital Rebuild Program. Under  
21 the terms of the agreement, (1) the City will pay Keenan Hopkins Suder & Stowell  
22 Contractors, Inc. (“Keenan”) \$9,750,000; (2) Webcor Construction, L.P. (“Webcor”) will pay  
23 Keenan \$5,500,000; (3) within five days of payment of the settlement sum, Keenan and  
24 Webcor will file with the Court a request for the dismissal of the entire legal action with  
25 prejudice; and (4) the parties agree to certain specified releases.

1 Section 2. The above-named action was filed in the Superior Court of California,  
2 County of San Francisco on August 15, 2017, and the following parties were named in the  
3 lawsuit: plaintiff and cross-defendant Keenan Hopkins Suder & Stowell Contractors, Inc.;  
4 defendant and cross-complainant Webcor Construction, L.P.; defendants Fidelity and Deposit  
5 Company of Maryland, Zurich America Insurance Company, Safeco Insurance Company of  
6 America, and Liberty Mutual Insurance Company; and cross-defendant City and County of  
7 San Francisco.

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1 APPROVED AS TO FORM AND  
2 RECOMMENDED:

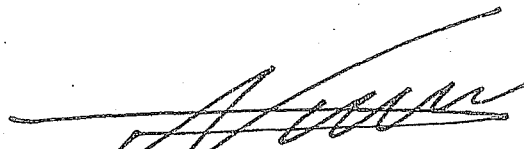
3 DENNIS J. HERRERA  
4 City Attorney

5  for

6 ELAINE M. O'NEIL  
7 Deputy City Attorney

RECOMMENDED:

SAN FRANCISCO PUBLIC WORKS

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9 MOHAMMED NURU  
10 Director

11 FUNDS AVAILABLE:

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13 BEN ROSENFELD  
14 Controller

15 n:\constr\li2019\170731\01342822.docx

Member, Board of Supervisors  
District 4



City and County of San Francisco

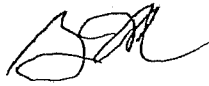
of Dr  
reg Clerk

**GORDON MAR**  
馬兆明

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DATE: April 10, 2019

TO: Angela Calvillo  
Clerk of the Board of Supervisors

FROM: Supervisor Mar   
Chairperson

RE: Government Audit and Oversight Committee  
COMMITTEE REPORT

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31  
2019 APR 11 AM 9:55  
BOARD OF SUPERVISORS  
SAN FRANCISCO

Pursuant to Board Rule 4.20, as Chair of the Government Audit and Oversight Committee, I have deemed the following matter is of an urgent nature and request it be considered by the full Board on Tuesday, April 23, 2019, as a Committee Report:

**File No. 190323 [Settlement of Lawsuit - Webcor Construction, L.P. and Keenan Hopkins Suder & Stowell Contractors, Inc. - \$9,750,000]**

Ordinance authorizing settlement of the lawsuit filed by Webcor Construction, L.P. ("Webcor") against the City and County of San Francisco for \$9,750,000; the action against the City and County of San Francisco was filed on August 15, 2017, in the Superior Court of California, County of San Francisco, Case No. CGC-16-555423, entitled Keenan Hopkins Suder & Stowell Contractors, Inc. vs. Webcor Construction LP et al.; the lawsuit involves an alleged failure to provide complete and accurate designs under the terms of a construction contract related to the San Francisco General Hospital Rebuild Program; material terms of the settlement are that the City will pay Keenan Hopkins Suder & Stowell Contractors, Inc. ("Keenan") \$9,750,000 and Webcor will pay Keenan \$5,500,000.

This matter will be heard in the Government Audit and Oversight Committee on April 18, 2019, at 10:00 a.m.

- Legislation for Introduction (NEW) ▶▶▶ Legislative Clerk
- Legislation Pending in Committee (AMENDED) ▶▶▶ Committee Clerk
- Legislation for Board Agenda (AMENDED) ▶▶▶ Deputy Clerk

**Supervisor, Mayor, and Departmental Submittals**

**Grant Ordinance**

- Legislation:** Original, 1 hard copy, and 1 electronic copy in **Word** format
- Signature:** Department Head, Mayor or the Mayor's designee, plus the Controller
- Supporting documents:** 1 full set, and separate pdf copies of each in email
  - Cover letter (original)
  - Grant budget/application
  - Grant information form, including signed disability checklist
  - Letter of Intent or grant award letter from funding agency
  - Contract, Leases/Agreements (if applicable)
  - Ethics Form 126 (if applicable) in **Word** format
  - Other support documents as identified in the cover letter and legislation.
- E-Copy of legislation/supporting documents: Sent to BOS.Legislation@sfgov.org**

RECEIVED  
 BOARD OF SUPERVISORS  
 SAN FRANCISCO  
 2019 MAR 18 AM 11:56  
 BY                     

**Ordinance**

- Legislation:** Original, 1 hard copy, and 1 electronic copy in **Word** format
- Signature:** City Attorney (For Settlement of Lawsuits - City Attorney, Department Head, Controller, Commission Secretary)
- Supporting documents:** 1 full set, and separate pdf copies of each in email
  - Cover letter (original)
  - Settlement Report/Agreement (for settlements)
  - Other support documents as identified in the cover letter and legislation
- E-Copy of legislation/supporting documents: Sent to BOS.Legislation@sfgov.org**

**Grant Resolution**

- Legislation:** Original, 1 hard copy, and 1 electronic copy in **Word** format
- Signature:** Department Head, Mayor or the Mayor's designee, plus the Controller
- Supporting documents:** 1 full set, and separate pdf copies of each in email
  - Cover letter (original)
  - Grant budget/application
  - Grant information form, including signed disability checklist
  - Letter of Intent or grant award letter from funding agency
  - Contract, Leases/Agreements (if applicable)
  - Ethics Form 126 (if applicable) in **Word** format
  - Other support documents as identified in the cover letter and legislation
- E-Copy of legislation/supporting documents: Sent to BOS.Legislation@sfgov.org**

**Resolution**

- Legislation:** Original, 1 hard copy, and 1 electronic copy in **Word** format
- Signature:** None (Note: Required for Settlement of Claims - City Attorney, Department Head, Controller, Commission Secretary)
- Supporting documents:** 1 full set, and separate pdf copies of each in email
  - Cover letter (original)
  - Settlement Report/Agreement (for settlements)
  - Other support documents as identified in the cover letter and legislation
- E-Copy of legislation/supporting documents: Sent to BOS.Legislation@sfgov.org**

Joy Perez 554-3869      City Attorney  
 Name and Telephone Number      Department

Clerk's Office/Forms/Legislation Received Checklist (1/2015) for more help go to: [sfbos.org/about-the-board/general/legislative-process-handbook](http://sfbos.org/about-the-board/general/legislative-process-handbook)

