[Settlement of Lawsuit - RES System 3, LLC - $2,600,000]

Ordinance authorizing settlement of the lawsuit filed by RES System 3, LLC against the City and County of San Francisco for $2,600,000; the lawsuit was filed on September 26, 2022, in San Francisco Superior Court, case number CGC-22-601949, and later transferred to Alameda County Superior Court, case number 23-CV-037877; entitled RES System 3, LLC v. City and County of San Francisco Public Utilities Commission; the lawsuit involves alleged breach of contract and related cost impacts arising from the design and construction of the Warnerville electrical substation in Oakdale, California; other material terms of the settlement are a mutual release of claims between the parties with limited exceptions for latent defects and warranty items.

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

Section 1. Pursuant to Charter Section 6.102(5), the Board of Supervisors hereby authorizes the City Attorney to settle the action entitled RES Systems 3, LLC v. City and County of San Francisco Public Utilities Commission, Alameda County Superior Court, Case No. 23-CV-037877 by the payment of $2.6 million. The lawsuit involves alleged breach of contract and related impacts arising from the design and construction of the Warnerville electrical substation in Oakdale, California.

Section 2. The above-named action was filed in San Francisco Superior Court on September 26, 2022, and later transferred to Alameda County Superior Court, and the following parties were named in the lawsuit: RES System 3, LLC and the City and County of San Francisco's Public Utilities Commission.

APPROVED AS TO FORM AND RECOMMENDED:

DAVID CHIU
City Attorney

/s/
ELAINE O'NEIL
Team Leader Construction and Public Contracts

FUNDS AVAILABLE:

/s/ Greg Wagner
GREG WAGNER
Controller

RECOMMENDED:

SAN FRANCISCO PUBLIC UTILITIES COMMISSION

/s/
DENNIS HERRERA
General Manager

APPROVED/RECOMMENDED

/s/
CIRILO ESPINOZA
Acting Commission Secretary, San Francisco Public Utilities Commission