File No.	190323

Committee Item No.	10	
Board Item No.		

COMMITTEE/BOARD OF SUPERVISORS

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	John Carroll John Carroll	Date: _ Date: _	April	11, 2019			

[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.

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 Keenan Hopkins Suder & Stowell Contractors, Inc. vs. Webcor Construction LP et al., Superior Court of California, County of San Francisco, Case No. CGC-16-555423 by the payment of \$9,750,000. 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. Under the terms of the agreement, (1) the City will pay Keenan Hopkins Suder & Stowell Contractors, Inc. ("Keenan") \$9,750,000; (2) Webcor Construction, L.P. ("Webcor") will pay Keenan \$5,500,000; (3) within five days of payment of the settlement sum, Keenan and Webcor will file with the Court a request for the dismissal of the entire legal action with prejudice; and (4) the parties agree to certain specified releases.

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

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APPROVED AS TO FORM AND RECOMMENDED:

DENNIS J. HERRERA City Attorney

MILILL

ELAINE M. O'NEIL Deputy City Attorney RECOMMENDED:

SAN FRANCISCO PUBLIC WORKS

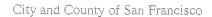
MOHAMMED NURU

Director

FUNDS AVAILABLE:

BEN ROSENFIELD Controller

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GORDON MAR 馬兆明

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

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.

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Date	2/18//	<u></u> F	File Number (i	f applicable) _	· .
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