

1 [Settlement of Lawsuit.]
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3 Ordinance authorizing settlement of the lawsuit entitled *United States ex rel. Dante S.*
4 *Galura, et al. v. San Luis Gonzaga Construction, Inc. et al.*, U.S. District Court, Northern
5 District of California, Case No. C-96-2350 filed by former workers of San Luis Gonzaga
6 Construction, Inc. the United States and City and County of San Francisco ("City") as
7 intervenors, for enforcement of prevailing wage requirements and breach of contract;
8 material terms of the settlement provide that the City will retain for itself \$339,048.61 in
9 Municipal Transportation Authority and Department of Public Works contract funds
10 that would otherwise be payable to San Luis Gonzaga Construction, Inc. ("SLGC");
11 former SLGC workers will receive a total of \$300,000 from SLGC as back wages and
12 statutory attorneys fees; SLGC and its owners will cooperate with the City's ongoing
13 investigation of contracts awarded by the Airport Commission.
14

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

16 Section 1. The City Attorney is hereby authorized to settle the action entitled *United*
17 *States ex rel. Dante S. Galura, et al. v. San Luis Gonzaga Construction, Inc. et al.*, U.S.
18 District Court, Northern District of California, Case No. C-96-2350 as follows:

19 a. The City and County of San Francisco will retain for itself \$339,048.61 out of
20 \$439,048.61 in contract funds earned by San Luis Gonzaga Construction, Inc. ("SLGC") on
21 several public works contracts let by the Municipal Transportation Authority, the Department
22 of Public Works and the San Francisco International Airport Commission to SLGC. The funds
23 were being withheld from SLGC to answer the City's claims against SLGC arising from
24 SLGC's violations of prevailing wage requirements, and to answer the City's claims against
25

1 SLGC for damages arising from SLGC's breach of said contracts. SLGC will release any and
2 all claims that it may have to the \$339,048.61.

3 b. The City will release \$100,000.00 in contract funds retained and/or otherwise
4 withheld from SLGC on public works contracts let by the Municipal Transportation Authority,
5 the Department of Public Works and the San Francisco International Airport Commission.
6 This money will ultimately be disbursed according to provisions in the settlement agreement to
7 former SLGC workers as back wages and statutory attorneys fees. SLGC will assign any and
8 all rights to receive the \$100,000 to its former workers and/or the workers' attorneys as back
9 wages and statutory attorneys fees. None of the funds released under this provision will be
10 disbursed to SLGC.

11 c. SLGC will pay or cause to be paid an additional \$200,000 to SLGC's former workers
12 as back wages and statutory attorneys fees. SLGC's former workers will receive a total of
13 \$300,000 in back wages and statutory attorneys fees under the settlement.

14 d. SLGC will provide testimonial and documentary evidence to assist the City
15 Attorney's Office in its ongoing investigation of contract improprieties at the San Francisco
16 International Airport.

17 e. SLGC, its owners, Virgilio Talao and Gerardina Talao will be voluntarily debarred,
18 declared irresponsible contractors, and ineligible to bid for or be awarded any City
19 administered or City funded public works contract for a period of five years commencing from
20 the effective date of the settlement agreement authorized by this ordinance.

21 f. The City Attorney shall require any additional terms deemed appropriate at the sole
22 discretion of the City Attorney.

23
24 Section 2. The above-named action was filed in the U.S. District Court, Northern
25 District of California on June 27, 1996, and the following parties were named:

1 a. Plaintiffs: Dante Galura, Jr. Mojamito Libunao, Efrain Juan Soto, Rosellino Juan
2 Soto, Engracio Yumang, *ex rel.* City and County of San Francisco, and the United States of
3 America

4 b. Defendants: San Luis Gonzaga Construction, Inc, and its owners Virgilio Talao
5 and Gerardina Talao.


6 APPROVED AS TO FORM AND
7 RECOMMENDED:

8 LOUISE H. RENNE
9 City Attorney

10 
11 _____
12 LYNDON Y. CHEE
13 Deputy City Attorney

RECOMMENDED:

DEPARTMENT OF PUBLIC WORKS

14 
15 _____
16 EDWIN M. LEE
17 Director



City and County of San Francisco

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

Tails Ordinance

File Number: 010976

Date Passed:

Ordinance authorizing settlement of the lawsuit entitled United States ex rel. Dante S. Galura, et al. v. San Luis Gonzaga Construction, Inc. et al., U.S. District Court, Northern District of California, Case No. C-96-2350 filed by former workers of San Luis Gonzaga Construction, Inc. the United States and City and County of San Francisco ("City") as intervenors, for enforcement of prevailing wage requirements and breach of contract; material terms of the settlement provide that the City will retain for itself \$339,048.61 in Municipal Transportation Authority and Department of Public Works contract funds that would otherwise be payable to San Luis Gonzaga Construction, Inc. ("SLGC"); former SLGC workers will receive a total of \$300,000 from SLGC as back wages and statutory attorneys fees; SLGC and its owners will cooperate with the City's ongoing investigation of contracts awarded by the Airport Commission.

June 18, 2001 Board of Supervisors — PASSED ON FIRST READING

Ayes: 11 - Ammiano, Daly, Gonzalez, Hall, Leno, Maxwell, McGoldrick,
Newsom, Peskin, Sandoval, Yee

June 25, 2001 Board of Supervisors — SEVERED FROM CONSENT AGENDA

June 25, 2001 Board of Supervisors — FINALLY PASSED

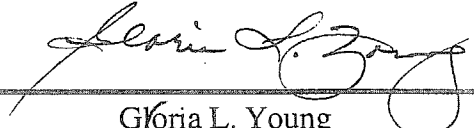
Ayes: 11 - Ammiano, Daly, Gonzalez, Hall, Leno, Maxwell, McGoldrick,
Newsom, Peskin, Sandoval, Yee

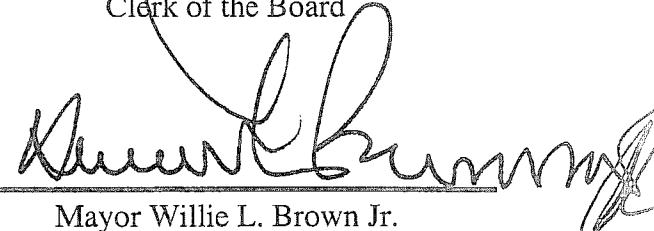
File No. 010976

I hereby certify that the foregoing Ordinance was FINALLY PASSED on June 25, 2001 by the Board of Supervisors of the City and County of San Francisco.

JUL 06 2001

Date Approved


Gloria L. Young
Clerk of the Board


Mayor Willie L. Brown Jr.