

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 Superior**
6 **Court of California, County of San Francisco, Case No. CGC-16-555423, entitled Keenan**
7 **Hopkins Suder & Stowell Contractors, Inc. vs. Webcor Construction LP et al.; the**
8 **lawsuit involves an alleged failure to provide complete and accurate designs under the**
9 **terms of a construction contract related to the San Francisco General Hospital Rebuild**
10 **Program; material terms of the settlement are that the City will pay Keenan Hopkins**
11 **Suder & Stowell Contractors, Inc. ("Keenan") \$9,750,000 and Webcor will pay Keenan**
12 **\$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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APPROVED AS TO FORM AND
RECOMMENDED:

DENNIS J. HERRERA
City Attorney



ELAINE M. O'NEIL
Deputy City Attorney

RECOMMENDED:
SAN FRANCISCO PUBLIC WORKS



MOHAMMED NURU
Director

FUNDS AVAILABLE:



BEN ROSENFELD
Controller

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City and County of San Francisco

Tails Ordinance

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

File Number: 190323

Date Passed: April 30, 2019

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 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.

April 18, 2019 Government Audit and Oversight Committee - RECOMMENDED AS COMMITTEE REPORT

April 23, 2019 Board of Supervisors - PASSED ON FIRST READING

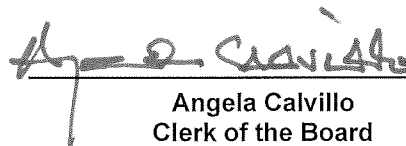
Ayes: 11 - Brown, Fewer, Haney, Mandelman, Mar, Peskin, Ronen, Safai, Stefani, Walton and Yee

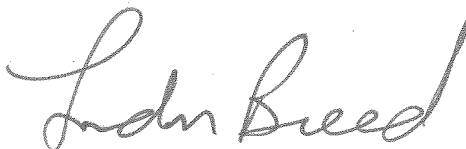
April 30, 2019 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Brown, Fewer, Haney, Mandelman, Mar, Peskin, Ronen, Safai, Stefani, Walton and Yee

File No. 190323

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 4/30/2019 by the Board of Supervisors of the City and County of San Francisco.


Angela Calvillo
Clerk of the Board



London N. Breed
Mayor



Date Approved