

1 [Settlement of Unlitigated Claims - Jacobs Engineering Group, Inc. - \$168,556]

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3 **Resolution approving the settlement of the unlitigated claims between Jacobs**
4 **Engineering Group, Inc. (“Jacobs”) and the City and County of San Francisco for**
5 **\$168,556; no formal claim has been filed; the potential claim involves Jacobs’ demand**
6 **for payment of the entire withheld contract balance of \$337,111 under its Construction**
7 **Management Services Agreement with the City, Contract No. CS-914 (the “CM**
8 **Contract”) related to water pipeline installation contract as part of the City’s Water**
9 **System Improvement Program; additional material terms of the settlement are the**
10 **parties’ mutual release of claims.**

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12 WHEREAS, Jacobs Engineering Group, Inc. (“Jacobs”) demanded payment of the
13 entire withheld contract balance of \$337,111 under its Construction Management Services
14 Agreement with the City, Contract No. CS-914 (the “CM Contract”) related to water pipeline
15 installation contract as part of the City’s Water System Improvement Program; and

16 WHEREAS, The claim involves Jacobs’ assertion of its reservation of rights in
17 undertaking City’s defense against the lawsuit In re: Mountain Cascade Contract Litigation,
18 San Mateo County Superior Court, Master File No. CIV 519255 (the “MCI Action”), previously
19 settled between the City and Mountain Cascade, Inc. by Ordinance No. 179-15; Jacobs’
20 dispute of its liability for the full scope of City’s tendered defense costs; and Jacobs’ demand
21 for payment of the entire withheld CM Contract balance; and

22 WHEREAS, The San Francisco Public Utilities Commission has recommended
23 settlement of the claim by payment of \$168,556 and the parties’ mutual release of all claims
24 related to or arising out of the CM Contract, Construction Management services provided by
25 Jacobs thereunder, or to the MCI Action; now, therefore, be it

1 RESOLVED, That pursuant to Administrative Code, Section 10.22, the Board of
2 Supervisors hereby authorizes the City Attorney to settle and compromise the claim by
3 payment of \$168,556 and the parties' mutual release of all claims related to or arising out of
4 the CM Contract, Construction Management services provided by Jacobs thereunder, or to
5 the MCI Action.

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APPROVED:

DENNIS J. HERRERA
City Attorney



ELAINE O'NEIL
Deputy City Attorney
Construction and Public Contracting
Team Leader

FUNDS AVAILABLE:



BEN ROSENFELD
Controller

RECOMMENDED:

SAN FRANCISCO PUBLIC UTILITIES
COMMISSION



HARLAN L. KELLY, JR.
General Manager of the San Francisco
Public Utilities Commission

APPROVED:



DONNA HOOD
Secretary, Public Utilities Commission

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City and County of San Francisco

Tails

Resolution

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

File Number: 160740

Date Passed: August 02, 2016

Resolution approving the settlement of the unlitigated claims between Jacobs Engineering Group, Inc. ("Jacobs") and the City and County of San Francisco for \$168,556; no formal claim has been filed; the potential claim involves Jacobs' demand for payment of the entire withheld contract balance of \$337,111 under its Construction Management Services Agreement with the City, Contract No. CS-914 (the "CM Contract") related to water pipeline installation contract as part of the City's Water System Improvement Program; additional material terms of the settlement are the parties' mutual release of claims.


July 21, 2016 Government Audit and Oversight Committee - RECOMMENDED..

August 02, 2016 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Breed, Campos, Cohen, Farrell, Kim, Mar, Peskin, Tang, Wiener and Yee

File No. 160740

I hereby certify that the foregoing Resolution was ADOPTED on 8/2/2016 by the Board of Supervisors of the City and County of San Francisco.


for Angela Galvillo
Clerk of the Board


Mayor

8/11/16
Date Approved