

VERDICTS & Settlements

CONSTRUCTION

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SETTLEMENT: \$1,605,000.

CASE/NUMBER: Kenneth Harris, Rebecca Brar v. CB&I Constructors Inc., Merco Construction Engineers Inc., et al. / PC032745 consolidated with PC032071.

COURT/DATE: Los Angeles Superior San Fernando / Sept. 26, 2007.

JUDGE: Hon. Holly E. Kendig.

ATTORNEYS: Plaintiff - Allen B. Felahy, Oscar Ramirez (Felahy & Associates, APLC, Long Beach).

Defendant - Jeffrey D. Lyddan, David Bona (Lyddan Law Group, San Francisco) for CB&I; Stacey F. Blank (Wood, Smith, Henning & Berman, LLP, Los Angeles) for Merco Construction Engineers Inc.

FACTS: This action came on for trial by jury in two phases. A first jury of 12 persons was impaneled and sworn and witnesses testified in the first phase of this trial as to liability only, which trial commenced on Feb. 20, 2007; and in March 2007, that jury entered a verdict (10-2) in favor of plaintiffs.

During the liability phase, the jury found that two construction companies hired by the Newhall County Water District were liable for damages incurred by plaintiffs following the 2002 Copper Canyon fire. The jury determined that Merco Construction Engineers was negligent and that CB&I Constructors Inc. was negligent, reckless and had committed a trespass. The jury apportioned liability 10 percent to Merco Construction Engineers Inc. and 90 percent to CB&I Constructors Inc.

Prior to the damages phase, the plaintiffs Kenneth Harris and Rebecca Brar entered into a settlement agreement with Merco

Subsequently, in September 2007, during the trial on damages, a settlement was reached between plaintiffs Kenneth Harris and Rebecca Brar and defendant CB&I Constructors Inc. for the sum of \$1,500,000.

SETTLEMENT DISCUSSIONS: Prior to the liability phase, defendant CB&I and Merco made a joint offer to compromise to plaintiffs Kenneth Harris and Rebecca Brar for the combined amount of \$533,000.

According to defense counsel, prior to the liability phase of the trial, plaintiffs Kenneth Harris and Rebecca Brar demanded \$3,580,000.

According to plaintiff's counsel, plaintiffs countered at \$1.5 million.

The defendants and plaintiffs ultimately settled prior to the conclusion of the trial on damages. Defendant CB&I Constructors Inc. agreed to pay plaintiffs Kenneth Harris and Rebecca Brar a combined total of \$1.5 million; and defendant Merco Construction Engineers Inc. agreed to pay plaintiffs Kenneth Harris and Rebecca Brar a combined total of \$105,000.

RESULT: Trial was bifurcated into liability and damages phases. During the first phase of the trial as to liability only, that jury entered a verdict (10-2) in favor of plaintiffs. Prior to the conclusion of the trial on damages, the plaintiffs reached a settlement with the defendants. Defendant CB&I Constructors Inc. agreed to pay plaintiffs Kenneth Harris and Rebecca Brar a combined total of \$1.5 million; and defendant Merco Construction Engineers Inc. agreed to pay plaintiffs Kenneth Harris and Rebecca Brar a combined total of \$105,000.