February 20, 1996 REPORT TO THE HONORABLE MAYOR AND CITY COUNCIL SAN DIEGO PUBLIC FACILITIES FINANCING AUTHORITY V. RICHARD RIDER, SUPERIOR COURT CASE NO. 693578 -- VALIDATION OF DESIGN/BUILD CONTRACT

FOR SAN DIEGO JACK MURPHY STADIUM

On Friday, February 16, 1996, in San Diego Public Facilities Financing Authority v. Richard Rider, Superior Court Case No. 693578, Judge S. Charles Wickersham granted the City's Motion for Summary Judgment and validated the design/build contract for the construction of improvements at San Diego Jack Murphy Stadium. A copy of the Court's ruling is attached for your reference.

The Court determined that the Defendants' (Richard Rider, Bruce Henderson and Steve Green) first contention that the contract in question had become a nullity due to a term of the contract was without merit. Significantly, the Court also found that no issue of fact existed in the cause of action regarding whether the Public Facilities Financing Authority of the City of San Diego ("PFFA") derives its authority to act solely from the Joint Exercise of Powers Law or whether its authority is limited by the provisions of the California State Constitution and the San Diego City Charter. The Court determined that the PFFA complied with the Joint Exercise of Powers law in its bidding and advertising process for the design/build contract and that no material fact had been presented by the Defendants as to whether the PFFA exceeded its powers.

Recognizing the parties' interest in expediting a resolution of this Case, the Court declined to allow oral argument. The Defendants have thirty days from the notice of entry of judgment to file any appeal from the Court's ruling.

Respectfully submitted, JOHN W. WITT City Attorney KJS:pev:271(043.1) Attachment RC-96-6