

A Bill for an Act Relating Making an Appropriations for Payment of Settlement Between the State of Hawaii and Goodfellow Bros., Inc.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. The purpose of this Act is to provide for the payment of a settlement agreement negotiated by the State of Hawaii and Goodfellow Bros., Inc., involving a suit (Civil No. 6635(2), Hawaii Second Circuit Court) filed by Goodfellow Bros., Inc., against the State of Hawaii. This suit seeks damages of more than \$12,000,000. The claims are grounded on a contract awarded to Goodfellow Bros., Inc., by the state department of transportation for a federal-aid highway construction project on Maui.

The departments of the attorney general and of transportation have evaluated the claims and consider the settlement to be in the best interest of the State. The evaluation included considerations of the projected cost of defending the claims and the potential exposure to liability.

SECTION 2. There is appropriated the sum of \$2,750,000 out of general obligation bond funds of the State of Hawaii for fiscal year 1985-1986, with debt service costs to be paid out of the state highway fund. This appropriation shall be used for settlement of the pending claims involving the highway construction project, Piilani Highway, vicinity of Mokulele Highway to the vicinity of Kilohana Street, Island of Maui, Project No. TQF-RF-031-1(6).

SECTION 3. The sum appropriated shall be expended by the department of transportation for the purposes of this Act.

SECTION 4. This Act shall take effect upon its approval.

(Approved May 9, 1985.)