Paily Journal

VERDICTS & SETTLEMENTS

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CONSTRUCTION

CONSTRUCTION DEFECT

Remodel

VERDICT: \$1,992,500.

CASE/NUMBER: Dawn Kearney, Patrick Kearney v. Douglas Ferguson and Douglas Construction Company / SCVSS112299.

COURT/DATE: San Bernardino Superior / Jan. 9, 2007.

MEDIATOR: Debra L. Mellinkoff.

ATTORNEYS: Plaintiff - Shawn D. Morris, William A. Lemkul (Morris & Sullivan LLP, San Diego).

Defendant - Tina M. Pivonka, Patrick Prindle (Mulvaney, Kahan & Barry, LLP, San Diego); Robert Morris (Law Offices of Robert Morris, San Bernardino).

TECHNICAL EXPERTS: Plaintiff
- John Bardin, architecture, San
Diego; Peter Curry, structural
engineering, San Diego; Dave
Bennett, general contractor, Lake
Arrowhead; Andrew Puccetti,
Ph.D., industrial hygienist, Corona
del Mar; Harvey Kreitenberg,
mechanical and plumbing, Los
Angeles.

Defendant - Carl H. Josephson, S.E., structural engineering, San Diego; John Hardisty, general contractor, National City; Larry Lindeen, industrial hygienist, San Diego.

FACTS: Action for construction defect-involving the remodel of Plaintiffs' vacation home located in Lake Arrowhead, California. Plaintiffs' Lake Arrowhead home in the County of San Bernardino ("subject property"). Plaintiffs purchased their Lake Arrowhead property in 1999 and contacted a local builder, Douglas Ferguson, and entered into an oral contract whereby Doug Ferguson Construction, Inc., agreed to remodel the Kearney vacation home.

Ferguson agreed to remodel the interior and exterior of the Kearneys' second home. including without limitation. concrete, masonry, plumbing, electrical, framing, drywall, roofing, windows, doors, decking, waterproofing, foundations, patios. flooring, painting, cabinetry and fixtures ("work"). Defendant Bryant Bergeson was brought in to design and engineer the remodel of the subject property. Mr. Bergeson's company, Kadtec, performed the design and drafting services, and Mr. Bergeson was the civil and/or structural engineer of record on this project. Defendant Bryant Bergeson settled before trial.

Ferguson completed his remodel work in approximately December 1999, and the remainder in December 2001. The Kearneys eventually discovered that water damage was occurring at the main level of the home at and around the lower master bedroom deck. Ferguson was called out and he attempted to fix the problem.

Problems persisted, however, and Ferguson was called out again and again with no success. Ferguson ultimately abandoned the job refusing to conduct any further repair efforts. The Kearneys then asked a highly-experienced local contractor, Dave Bennett, to inspect the house and determine the cause of the leak and perform repairs

Mr. Bennett determined that the deck leaks were caused by improper construction and flashing. The Kearneys then hired John R. Bardin, AIA, GC, to conduct a complete inspection and analysis of the construction. John Bardin discovered a multitude of code violations and life-safety construction defects. Given the extreme nature of defects and problems, plaintiffs filed suit against defendants on Feb. 2, 2004. As the case progressed, numerous additional defects were discovered and brought to the attention of defendants.

Defendants refused to accept the disputed items as construction defects or take responsibility for their defective work. Ultimately, plaintiffs were forced to try the case.

JURY TRIAL: Length, 18 days; Poll, 12-0; Deliberation, two days.

RESULT: Verdict in plaintiffs' favor for \$1,992,500.

OTHER INFORMATION: Pending Motion for Costs and pre-judgment interest as plaintiffs beat a.C.C.P. 998 Offer to Compromise of \$1,399,999.99.