



City of San Antonio

Agenda Memorandum

File Number: 16-1023

Agenda Item Number: 24.

Agenda Date: 12/17/2015

In Control: City Council A Session

DEPARTMENT: City Attorney's Office

DEPARTMENT HEAD: Martha G. Sepeda, Acting City Attorney

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

Settlement of Cause No. 2011-CI-00316, *Valemas, Inc., and L. Payne Constructors v. City of San Antonio*.

SUMMARY:

An Ordinance authorizing the settlement of a lawsuit styled *Valemas, Inc. and L. Payne Constructors v. City of San Antonio*, Cause No. 2011-CI-00316, pending in State District Court for the for an amount up to \$293,000.00. This amount will be paid from the Self-Insured Liability Fund.

BACKGROUND INFORMATION:

Valemas and L. Payne Constructors claim damages as a result of delay and breach of a construction contract related to the W.W. White Outfall Project.

The parties have reached an agreement to settle all claims by Valemas and L. Payne Constructors, subject to City Council approval.

ISSUE:

Settlements over \$50,000 require City Council approval.

ALTERNATIVES:

If this settlement agreement is not approved by City Council, this matter will proceed to trial. It is in the best interest of the City to settle this lawsuit to avoid the uncertainty and risks attendant to litigation.

FISCAL IMPACT:

If approved, \$293,000.00 will be paid to Valemas and L. Payne Constructors and their attorneys of record. This will be funded in accordance with the Adopted BY 2016 Liability Fund Budget

RECOMMENDATION:

Staff recommends approval of this ordinance.