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Pinellas County

315 Court Street, 5th Floor Assembly Room Clearwater, Florida 33756

Staff Report

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File #: 19-1936A

Agenda Date: 11/12/2019

Subject:

Proposed settlement in the case of Pinellas County v. Harvard Jolly, Inc. et al.; Circuit Civil Case No. 18-003625-CI-15 – breach of contract.

Recommended Action:

Approve the proposed \$950,000.00 settlement with Lendlease (US) Construction in this case and authorize the Chair to execute the Mediated Settlement Agreement and Release; additionally, authorize settlement with Harvard Jolly in an amount no less than \$127,500.00 and authorize the County Administrator to execute any settlement documents, in consultation with the County Attorney.

Strategic Plan:

N/A

Summary:

On March 20, 2018, the Board of County Commissioners (Board) approved the initiation of litigation against Harvard Jolly, Inc., Lendlease (US) Construction, Inc. and other potential defendants after Pinellas County incurred damages as a result of inadequate design and/or the means and methods of construction. Specific concerns were related to water intrusion from the now-sealed horizontal joint and doors, substandard paint application, plumbing deficiencies, and helipad design deficiencies. The County filed suit against the aforementioned Defendants as well as PTAC Consulting Engineers, Inc. and William A. Lovell, Jr., P.E. In turn, Lendlease filed suit against its subcontractors, Metromont Services, LLC (fabricator of the precast wall panels), Service Painting of Florida (painter), and Hollow Metal Specialists, LLC (door contractor).

At a mediation conference held October 11, 2019, the majority of the parties, their representatives, and counsel reached a conditional settlement agreement that, if approved by the Board, would resolve all claims and potential claims between the County and all parties, except Harvard Jolly. Claims against Harvard Jolly for damages resulting from Harvard Jolly's breach of contract are not included in that conditional settlement.

As to Lendlease and its subcontractors:

The conditional partial settlement is for a total of \$950,000.00 to be paid to the County by Lendlease (US) Construction, Inc. As part of that settlement, Pinellas County would waive all claims that were known or, through reasonable discovery could have been known, as to Lendlease and its subcontractors and their professionals as well as their insurers. Due to the numerous parties, the parties were unable to timely finalize the agreement for the Chair's execution,

The County Attorney, in conjunction with outside counsel, recommends approval of the settlement. The County Administrator concurs with this recommendation.

As to Harvard Jolly:

Negotiations with Harvard Jolly continued after the mediation. On behalf of the County, a demand of \$150,000.00 has been extended with the understanding that any such settlement must be approved by the Board. This demand followed Harvard Jolly's offer to settle in the amount of \$127,500.00. A settlement would fully and finally resolve all claims the County has or could have against Harvard Jolly or its insurer.

The County Attorney, in conjunction with outside counsel, recommends approval of the settlement equal to or in excess of \$127,500.00. The County Administrator concurs with this recommendation.

Background Information:

On March 20, 2018, the initiation of litigation came before the Board under Legistar item no. 18-296A.

Fiscal Impact:

The amount to be paid to the County as a result of the settlement with Lendlease is \$950,000.00. The amount proposed to be paid to the County as a result of any settlement with Harvard Jolly is no less than \$127,500.00 for a minimum total recovery of no less than \$1,077,500.00.

Staff Member Responsible:

Jewel White, County Attorney Christy Donovan Pemberton, Managing Assistant County Attorney Jill Silverboard, Deputy County Administrator and Chief of Staff

Partners:

N/A

Attachments:

N/A

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Agenda Date: 11/12/2019

Subject:

Proposed settlement in the case of Pinellas County v. Harvard Jolly, Inc., et al.; Circuit Civil Case No. 18-003625-CI-15 - breach of contract.

Recommended Action:

Consideration of the proposed settlement in the case of Pinellas County v. Harvard Jolly, Inc., et al.; Circuit Civil Case No. 18-003625-CI-15

Strategic Plan:

N/A

Summary:

The above-referenced case is being brought to the Board of County Commissioners for consideration in accordance with the confidential memorandum of November 12, 2019.

Background Information:

This item previously came before the Board on March 20, 2018, Legistar item no. 18-296A.

Fiscal Impact: Unknown

Staff Member Responsible:

Jewel White, County Attorney Christy Donovan Pemberton, Managing Assistant County Attorney Jill Silverboard, Deputy County Administrator and Chief of Staff

Partners:

N/A

Attachments:

N/A