

Office of School Board Attorney
Johnny Brown, Board Attorney

SUBJECT: PROPOSED SETTLEMENT AGREEMENT
THE HASKELL COMPANY v. THE SCHOOL BOARD OF MIAMI-DADE
COUNTY, FLORIDA - CASE NO. 98-18978 CA 27

On August 19, 1998, The Haskell Company (Haskell) filed a Complaint for Damages in the above styled case in the Circuit Court in and for Dade County, Florida, seeking retainage being withheld and additional payments over the contract price arising from alleged permitting delays. Haskell's potential claim was alleged to be worth between \$3 and \$4.6 million dollars, exclusive of the costs of litigation. The claim mostly relates to the cost of acceleration and productivity losses as well as extended general conditions for the delay period associated with the construction of three new elementary schools (State Schools F, H-1 and U). In response to the Complaint, the Board's counsel filed a counterclaim against Haskell, estimated at \$2.3 million dollars, for latent defects and deficiencies found at each of the three schools.

Pursuant to court-ordered mediation, outside counsel for the Board and the Office of Capital Construction Compliance have negotiated a settlement with Haskell that provides for a global resolution of all claims for the total sum of \$490,000, a substantial portion of which includes retainage being held by the School Board; and in exchange, Haskell has agreed to repair and correct deficiencies and latent defects at the schools, estimated to have a value of approximately \$2 million dollars. The Office of the School Board Attorney and the Office of Capital Compliance Construction are in concurrence with the settlement as being in the best interest of the Board. A memorandum briefly analyzing the action against the School Board and explaining the settlement proposal has been prepared by outside counsel and provided to Board members under separate cover.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, authorize the Superintendent to enter into the Settlement Agreement in the case of The Haskell Company v. The School Board of Miami-Dade County, Florida, Case No. 98-18978 CA 27, for the settlement of all claims by the payment of \$490,000 in exchange for approximately \$2 million dollars of correction and repair of deficient and latent defects at three schools.

JB:pr

K-6