

Office of School Board Attorney
JulieAnn Rico, Board Attorney

SUBJECT: APPROVAL OF SETTLEMENT AGREEMENT

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA vs.
BETANCOURT CASTELLON ASSOCIATES, INC. (BCA), CIRCUIT
COURT CASE NO. 05-22037 CA 25**

BETANCOURT, CASTELLON ASSOCIATES, INC. ("BCA") was the design/builder for four Middle Learning Center Additions ("MLC's") located at Everglades, Kenwood, Milam and Leisure City Elementary Schools. These schools evidenced water intrusion, and pursuant to Board action at its meeting on August 18, 2004, legal representation regarding this was assigned to the law firm of Tew-Cardenas. A lawsuit was filed in November, 2005 against BCA and its Surety, Liberty Mutual Insurance Company seeking damages for water intrusion. The window consultant retained by Tew-Cardenas tested the windows at the MLC's and a protocol for remediation of the water intrusion has been developed by Board staff and BCA. If approved, and in addition to the remediation of the windows themselves, the proposed settlement agreement will have BCA repairing damage caused to the interior wall finishes by the water intrusion and performing the equivalent of an exterior major paint project to alleviate any non-window water problems which will include a six year warranty, all at no cost to the School Board.

The current settlement proposal will resolve all outstanding claims and disputes and is recommended as being in the best interest of the Board given the consideration of the full range of information which was developed throughout this litigation. The Board's outside counsel and administrative staff agree with this recommendation. A copy of the Settlement Agreement will be provided to the Board under separate cover.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, approve the settlement with Betancourt, Castellon Associates, Inc. in the case of The School Board Of Miami-Dade County, Florida vs. Betancourt, Castellon Associates, Inc. and Liberty Mutual Insurance Company, Case No. 05-22037 CA 25 with BCA performing the remediation work as specified in the Settlement Agreement.