

Office of General Counsel
Walter J. Harvey, General Counsel

SUBJECT: PROPOSED SETTLEMENT AGREEMENT IN THE CASE OF: TGSV ENTERPRISES, INC., v. THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA, CIRCUIT CASE NO. 2021-02578-CA-01

At the School Board meeting of February 21, 2018, TGSV Enterprises, Inc. ("TGSV") was awarded a lump sum contract in the amount of \$11,777,900.00 whereby TGSV agreed to serve as the general contractor for the construction of improvements at Miami Arts Studio 6-12 at Zelda Glazer, Auditorium and Classroom Addition, Project Number 01543800 (the "Project"). Subsequently, a dispute arose between the parties concerning payments owed to TGSV on the Project including TGSV's retainage, and TGSV filed suit against the School Board in the Circuit in Miami-Dade County, Florida, in the matter, known as *TGSV Enterprises, Inc. v. The School Board of Miami-Dade County, Florida*. (Case No. 2021-02578-CA-01).

In response to the lawsuit the School Board denied the allegations contained in the complaint and maintained that TGSV was not entitled to receive the disputed payment due to its failure to timely complete the scope of work under the Contract and work-related deficiencies. Since the filing of the lawsuit, TGSV and the School Board have conducted arms-length negotiations to resolve all differences and have now reached an amicable resolution of the disputes regarding the Project, which includes a Settlement Agreement with respect to all claims in connection with the work associated with the Project. The proposed Settlement Agreement will require that the Board issue payment to TGSV in the amount of \$330,000.00 as full and final settlement of all claims associated with the Project within 30 days upon approval of the proposed of this Settlement Agreement by the School Board.

This item is being presented for the Board's consideration for the approval of the proposed Settlement Agreement between TGSV and the School Board. The approval of the proposed Settlement Agreement is in the best interests of the School Board and will obviate the need for further litigation of this matter. Administration is in agreement with the acceptance of the proposed Settlement Agreement, a copy of the Settlement Agreement will be provided to the Board under separate cover prior to the February 15, 2023, Board meeting.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, approve the proposed Settlement Agreement with TGSV Enterprises, Inc. and authorize the Superintendent to execute the Settlement Agreement and to issue payment to TGSV in the amount of \$330,000.00 as full and final settlement of all claims connected with the Auditorium and Classroom Addition at Miami Arts Studio 6-12 at Zelda Glazer (Project Number 01543800).