

Sparks City Council Meeting
1/8/2024 2:00 PM

9.1. Consideration, discussion, and possible approval or rejection of an offer to settle Lawson v. City of Sparks, et al., CV23-00458, in the amount of \$600,000. (For Possible Action)

Item Title: Consideration, discussion, and possible approval or rejection of an offer to settle Lawson v. City of Sparks, et al., CV23-00458, in the amount of \$600,000. (For Possible Action)

Petitioner/Presenter: City of Sparks, City of Sparks/John Funk, Gunderson Law

Recommendation: Staff recommends City Council either accept or reject the settlement demand.

Financial Impact: \$600,000 maximum.

Financial Explanation: If City Council accepts the settlement demand, the City would be responsible for paying at least \$300,000, which is the City's self-insured retention amount applicable to these claims. Depending on the structure of the settlement agreement and the excess insurance carrier's input, the City may be responsible for paying the full settlement amount of \$600,000.

Business Impact: A Business Impact Statement is not required because this is not a rule.

Agenda Item Brief: This agenda item seeks City Council direction in response to an offer to settle Lawson v. City of Sparks, et al., CV23-00458, for \$600,000.

Background:

The City's counsel in Lawson v. City of Sparks, et al., recently received a demand letter from plaintiff's counsel in the case. The letter offers to settle the litigation for \$600,000. The letter and exhibits referenced therein are attached to this staff report.

Analysis:

This agenda item gives City Council the opportunity to either reject the settlement demand or accept it, subject to the negotiation, drafting, and final approval of the necessary settlement agreement and release documents.

Alternatives:

1. City Council may reject the settlement offer.
2. City Council may accept the settlement offer, subject to the negotiation, drafting, and final approval of the necessary settlement agreement and release documents.
3. City Council may reject the settlement offer and make a counteroffer.

Recommended Motion:

1. I move to reject the offer to settle Lawson v. City of Sparks, et al., CV23-00458, in the amount of \$600,000.
2. I move to accept the offer to settle Lawson v. City of Sparks, et al., CV23-00458, in the amount of \$600,000, subject to the negotiation, drafting,

and final approval of the necessary settlement agreement and release documents.

3. I move to reject the offer to settle Lawson v. City of Sparks, et al., CV23-00458, in the amount of \$600,000, and make a counteroffer to settle the litigation for \$_____.