

June 4, 2004

Hon. Committee on Judiciary and Legislation
of the Common Council of the
City of Milwaukee
Room 205, City Hall
Milwaukee, WI 53202

Re: 231 E. Buffalo Partners v. City of Milwaukee
Case No. 03-CV-001623

Dear Members of the Committee:

Attached is an original resolution for your consideration, which would authorize settlement of the above-noted lawsuit. We make the following recommendation relating to the proposed settlement.

The above-noted matter involves a Milwaukee Water Works water main repair which was done in November of 1998 directly in front of the property located at 231 East Buffalo Street. The property located at 231 East Buffalo Street is a five-story warehouse converted to an office building. When the building fire sprinkler inspection was conducted subsequent to the Water Works repair work, stones and rocks were discovered inside the system. The contaminated fire sprinkler system required repairs and flushing due to the rocks that entered the system.

The matter was tried to a 12-person jury before Judge Mel Flanagan on May 24, 25 and 26, 2004 in Milwaukee County Circuit Court. The jury returned a verdict assessing liability against the City of Milwaukee. During the trial an expert witness retained by the City testified that the rock contamination could have come from a number of different sources. However, a plumbing inspector employed by the City of Milwaukee testified during the trial that he believed the rocks came from the Water Works' repair conducted in November of 1998. The jury verdict was for \$54,702.98. The City is limited to \$50,000.00 damages in this case.

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Because there are no appeal issues, we recommend payment of this proposed settlement amount. A proposed original resolution reflects this recommendation and is provided for your convenience.

Very truly yours,

GRANT F. LANGLEY
City Attorney

MICHAEL G. TOBIN
Assistant City Attorney

GFL:MGT:enm
Encs.

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