



Legislation Text

File #: 130164, Version: 0

130164
ORIGINAL

THE CHAIR

Resolution to authorize the City Attorney to extend offers of settlement to certain defendants in the matter of *City of Milwaukee v. Simpson, Gumpertz & Heger, Inc., et al.*

This resolution authorizes the City Attorney to make formal offers of settlement pursuant to Section 807.01(3), Wis. Stats., to the following defendants in the above captioned litigation: To defendant Simpson, Gumpertz & Heger, Inc., and its professional liability insurer, Lexington Insurance Company, Milwaukee County Circuit Court Case No. 12 CV 004989, settlement of the City's claims against them for the sum of Nine Million Dollars (\$9,000,000) with costs; to defendant Engberg Anderson, Inc. and its professional liability insurer, Lexington Insurance Company, settlement of the City's claims against them for the sum of One Million Eight Hundred and Fifty Thousand Dollars (\$1,850,000) with costs; and, to defendant Bloom Companies, LLC, and its professional liability insurer, Endurance American Specialty Insurance Company, settlement of the City's claims against them for the sum of One Million Five Hundred Thousand Dollars (\$1,500,000) with costs; all of which offers of settlement are within the policy limits of the respective professional liability insurance policies issued to said parties.

Whereas, In regard to problems with the terra cotta restoration work which had been completed on the Milwaukee City Hall in 2008, the City filed suit on May 12, 2012 against Simpson, Gumpertz & Heger, Inc., Engberg Anderson, Inc., Bloom Companies, LLC and J. P. Cullen & Sons, Inc., along with numerous insurance companies that had issued policies of insurance to said companies; and

Whereas, At this time, based upon expert reports and the projected costs of repairs to the Milwaukee City Hall and the City's other out of pocket expenses to insure public safety, the City anticipates that damages in the law suit could meet or exceed Eighteen Million Dollars; and

Whereas, The policies of professional liability insurance issued by Lexington Insurance Company and Endurance American Specialty Insurance Company have policy limits which are reduced by the costs of defense of the claims made against the insureds noted above; and, in consideration of the City's investigation findings as to the cause and relative responsibilities of the parties in relation to such damages; now, therefore, be it

Resolved, That the City Attorney is authorized to extend offers of settlement pursuant to Section 807.01(3), Wis. Stats. in the matter of *City of Milwaukee v. Simpson, Gumpertz & Heger, Inc., et al.*, Milwaukee County Circuit Court case no. 12 CV 004989 as follows: To defendant Simpson, Gumpertz & Heger, Inc., and its professional liability insurer Lexington Insurance Company, settlement of the City's claims against them for the sum of Nine Million Dollars (\$9,000,000) with costs; to defendant Engberg Anderson, Inc. and its professional liability insurer Lexington Insurance Company, settlement of the City's claims against them for the sum of One Million Eight Hundred and Fifty Thousand Dollars (\$1,850,000) with costs; and, to defendant Bloom Companies, LLC and its professional liability insurer Endurance American Specialty Insurance Company, settlement of the

City's claims against them for the sum of One Million Five Hundred Thousand Dollars (\$1,500,000) with costs.

City Attorney

MRH:

May 9, 2013

1081-2012-1217:191932