



CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

ALL

Item Creation Date: 11/5/2021

LGL- Cause No. 2019-33384; Comfort Systems USA (South Central), Inc. v. City of Houston, in the 127th Judicial District Court of Harris County, Texas

Agenda Item#:

Summary:

That Council adopt an ordinance approving and authorizing a compromise, settlement, release and indemnity agreement (CSA) between the City of Houston and Comfort Systems USA (South Central), Inc. in the amount of \$170,000.00 to settle a lawsuit.

Background:

Plaintiff filed this breach of contract case on June 4, 2019, asserting claims for wrongful withholding of payment in connection with an outstanding temporary HVAC equipment invoice. Plaintiff claims the City's delay in approving repairs strained the City's HVAC equipment and the City failed to pay for temporary cooling services provided by Plaintiff. The City denies Plaintiff's claims. Plaintiff seeks damages in excess of amount of \$323,742.74, accrued statutory interest under the Prompt Payment Act, pre-judgment interest, post-judgment interest, attorneys' fees and costs. The parties mediated the claim, conducted further negotiation following mediation, and have agreed to resolve the litigation.

The Legal Department recommends that Council adopt an Ordinance authorizing and approving the Compromise, Settlement, Release and Indemnity Agreement and approve and authorize the payment of \$170,000.00 out of the Maintenance, Repair and Renewal Fund (2105) in settlement of all of Plaintiff's claims.

Fiscal Note: Funding for this item is included in the FY2022 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.

DocuSigned by:

Arturo G. Michel, City Attorney

Prior Council Action:

None

Amount and Source of Funding:

\$170,000.00

Maintenance, Repair & Renewal Fund

Fund No.: 2105

Contact Information:

M. Lucille Anderson.....832-393-6485

Suzanne Chauvin.....832-393-6219

ATTACHMENTS:

Description

- Budget Funding Information Request
- Compromise & Settlement Agreement
- Fund Reservation Request Form
- Ordinance

Type

- Budget/CM Amendment
- Contract/Exhibit
- Financial Information
- Ordinance/Resolution/Motion