



Legislation Text

File #: GID-2021-55, Version: 1

CONSIDERATION OF APPROVAL, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF A RECOMMENDATION FROM THE CITY ATTORNEY THAT CITY COUNCIL APPROVE A SETTLEMENT OF ANGELA WEBB VS. THE CITY OF NORMAN, OKLAHOMA, IN THE DISTRICT COURT OF CLEVELAND COUNTY CASE CJ-2018-1351 IN THE AMOUNT OF \$15,000.

BACKGROUND: On March 17, 2018, McKee Utilities Contractors, Inc., distributed notice to residents in the Crossroads Boulevard neighborhood advising water would be disconnected on March 19, 2018, from 8:00 am - 11:00 am, to reconnect services to a new water main. Homeowner Angela Webb and her children left home due to the notice and returned at approximately 4:00 pm - 5:00 pm and discovered water in the home.

On April 3, 2018, Ms. Webb filed a Tort Claim for damages in the amount of \$35,422.82. On August 31, 2018, Ms. Webb filed an action in the District Court of Cleveland County, Oklahoma, against the City and McKee Utilities on behalf of herself and her three minor children. In May 2020, a new attorney filed an Entry of Appearance and amended the Petition. In October 2020, Webb submitted an additional damage estimate for mold in the amount of \$16,387.15. Medical information was submitted on behalf of the three minor children.

An Executive Session was held on November 24, 2020, to discuss the lawsuit.

DISCUSSION: After depositions of the parties in preparation for a January 2021 jury trial, the parties entered into settlement negotiations. One of the minor children has since reached the age of majority. Plaintiffs have settled all claims with the Defendant, McKee Utilities, and desire to settle all claims with the City of Norman for \$15,000. The Plaintiff, Angela Webb, will receive the sum of \$13,000 and the two minor children, Landon and Lynlee Webb, will receive the sum of \$1,000 each.

If approved by City Council, an Order Approving Settlement Agreement, Individual and Parent-Guardian Release and Indemnity Agreement and Dismissal With Prejudice, for the two minor children will be filed in the Cleveland County District Court releasing the City from any and all liability of the minor children and forever barring them from seeking additional claims. The settlement funds for the minor children will be required to be deposited in a bank on their behalf until they reach the age of 18 years.

RECOMMENDATION: It is believed the proposed settlement is fair, reasonable and in the best interest of the City. It is not anticipated that a more favorable ruling for the City could be achieved by further litigation. Acceptance of this settlement would require payment in the amount of \$13,000 to Angela Webb and payment in the amount of \$1,000 for each of two minor children paid to Angela Webb, as Parent and Next Friend of each minor child.

It is recommended the settlement of this matter be approved by City Council and that this office be directed to reduce the settlement amount to judgment in accordance with 51 O.S. §159, and 62 O.S.

§362. The settlement amount will then be placed on the property tax rolls for collection over the next three years. Under this process, one-third of the judgment amount plus interest at the statutory rate on the unpaid balance is collected through property tax roll assessments over that time period. This statutorily allowed procedure for payment of judgments against a municipality will minimize the impact of the settlement on the City's Water Reclamation Fund, Sewer Maintenance Fund and General Fund.