

RESOLUTION NO. RES-2024-057

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA AMENDING THE FISCAL YEAR 2023-24 ADOPTED BUDGET, INCREASING APPROPRIATIONS IN THE AMOUNT OF \$1,850,000 FROM UNASSIGNED GENERAL FUND RESERVES TO FUND THE CITY'S \$2,750,000 PORTION OF THE SETTLEMENT IN THE MATTER OF *BAY CITIES PAVING & GRADING, INC. V. CITY OF SANTA ROSA*

WHEREAS, following mediation, a conditional global settlement was executed in the matter of *Bay Cities Paving & Grading, Inc. v. City of Santa Rosa*, Sonoma County Superior Court Case No. SCV-265333 with the City's contract engineering firm GHD, Inc. to pay plaintiff Bay Cities Paving & Grading, Inc. (Bay Cities) \$3.75 million and the City to pay Bay Cities \$2.75 million; and

WHEREAS, the conditional settlement agreement is conditioned on the City Council appropriating sufficient funds to fully pay the City's portion of the settlement; and

WHEREAS, approximately \$300,000 is available from unspent funds that the City Council previously appropriated on January 30, 2024, by Resolution RES-2024-016, to fund the litigation through trial; and

WHEREAS, in addition, \$600,000 in Transportation and Public Work's project file for this project is available to be used towards the settlement; and

WHEREAS, to fully fund the City's \$2.75 million portion of the settlement, which is not included in the fiscal year 2023-24 operating budget, an additional one-time appropriation of \$1.85 million from General Fund unassigned reserves is needed.

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NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Santa Rosa amends the fiscal year 2023-24 General Fund operating budget, appropriating an additional \$1,850,000 from the unassigned General Fund reserves to the Fiscal Year 2023-24 General Fund operating budget to be used to fund the City's portion of the global settlement in *Bay Cities Paving & Grading, Inc. v. City of Santa Rosa*.

IN COUNCIL DULY PASSED this 16th day of April, 2024.

AYES: (7) Mayor N. Rogers, Vice Mayor Stapp, Council Members Alvarez, Fleming, MacDonald, Okrepkie, C. Rogers

NOES: (0)

ABSENT: (0)

ABSTAIN/RECUSE: (0)

ATTEST: _____ APPROVED: _____
Deputy City Clerk Mayor

APPROVED AS TO FORM: _____
City Attorney