



Legislation Details (With Text)

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On agenda: 4/15/2015 **Final action:** 4/15/2015
Title: AUTHORIZING THE SETTLEMENT OF THE LITIGATION STYLED CITY OF SUNRISE, ET. AL. VS. BROWARD COUNTY; AUTHORIZING THE MAYOR AND CITY MANAGER TO EXECUTE A SETTLEMENT AGREEMENT WITH BROWARD COUNTY; AUTHORIZING THE MAYOR AND CITY MANAGER TO EXECUTE A SETTLEMENT PROCEEDS DISTRIBUTION AGREEMENT WITH THE SETTLING MUNICIPALITIES.

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Attachments: 1. RESOLUTION, 2. AGREEMENT 1, 3. AGREEMENT 2, 4. BACKGROUND

Date	Ver.	Action By	Action	Result
4/15/2015	2	Regular City Commission Meeting		

TO: Mayor and City Commission

FROM: Douglas E. Smith, City Manager

DATE: April 15, 2015

AUTHORIZING THE SETTLEMENT OF THE LITIGATION STYLED *CITY OF SUNRISE, ET. AL. VS. BROWARD COUNTY*; AUTHORIZING THE MAYOR AND CITY MANAGER TO EXECUTE A SETTLEMENT AGREEMENT WITH BROWARD COUNTY; AUTHORIZING THE MAYOR AND CITY MANAGER TO EXECUTE A SETTLEMENT PROCEEDS DISTRIBUTION AGREEMENT WITH THE SETTLING MUNICIPALITIES.

BACKGROUND: The City of Margate was a party to the November 1986 Interlocal Agreement with Broward County (the “County”) for Solid Waste Disposal Service, as amended (the “Interlocal Agreement”) which provided for the creation of the Broward Solid Waste Disposal District (the “District”) and required the participating governmental entities to send the solid waste generated within their boundaries to be transported, delivered and disposed of at designated District waste disposal facilities.

Upon the expiration of the Interlocal Agreement, which expired on July 2, 2013, the Interlocal Agreement provided for the equitable distribution of the assets and liabilities of the District to the participating governmental entities and the County. The participating governmental entities and the County disagreed as to the identification and distribution of the assets and liabilities of the District which resulted in the City of Margate, together with seventeen other participating governmental entities, to become plaintiffs (the “Plaintiff Municipalities”) in the litigation styled *City of Sunrise et. al. v Broward County*, 17th Judicial Circuit Court Case No. CACE-013-015660 (the “Litigation”), which seeks a declaration regarding the assets and liabilities subject to equitable distribution.

The parties agreed to proceed with mediation, initially reached an impasse; and then entered into negotiations regarding

the terms of a possible settlement. The Plaintiff Municipalities and the County have negotiated a Settlement Agreement, attached as Exhibit “A”, (the “Settlement Agreement”) to settle the Litigation under the terms and conditions set forth in the Settlement Agreement.

The Settlement Agreement provides for the County to make certain payments into a trust account designated by the Plaintiff Municipalities (the “Trust Account”), and funds deposited into the Trust Account by the County (the “Trust Account Funds”) are to be distributed to the Settling Municipalities pursuant to an agreement among the Settling Municipalities that provides for pro rata allocation of expenses and pro rata distribution of funds based upon the 2012 Tonnage Schedule.

On April 7, 2015, the Settlement Agreement was approved by Broward County. The cities of Fort Lauderdale, Hollywood, Miramar, Weston and Sunrise have already approved the settlement. The next step is for the other 13 plaintiff municipalities to consider and approve the agreement. The County’s payment of the initial \$32 million is to be made within 30 days after the last of the plaintiff municipalities approve the agreement.

RECOMMENDATION: For Approval.

FISCAL IMPACT: Pro rata allocation of expenses and pro rata distribution of funds based upon the 2012 Tonnage Schedule

CONTACT PERSON: Eugene M. Steinfeld, City Attorney