

## **SUMMARY EXPLANATION AND BACKGROUND**

This Agreement is the result of efforts to resolve differences and disputes between National Roofing of South Florida, Inc. (“**National Roofing**”) and The School Board of Broward County, Florida (the “**SBBC**”) arising from the design and construction administration of various school projects.

The School Board contracted with National Roofing to perform work on the following roofing projects:

1. Twin Lakes Warehouse/Book Department (Project No. P.000855),
2. McFatter Technical Center (Project No. 000857),
3. Atlantic Technical Center (Project No. 001383),
4. Riverglades ES (Project No. 001442) and
5. North Central Area Office (Project No. 001147) (collectively, the “**Projects**”).

During and after performance of work on the Projects, National Roofing became financially unable to perform, resulting in delays to full completion and acceptance of the Projects. Because of such delays, the SBBC withheld payment to which National Roofing claimed it was entitled.

In late 2015, unable to resolve differences and disputes over such non-payment, National Roofing filed a twelve-count Complaint against SBBC in the matter styled National Roofing of South Florida, Inc. v. The School Board of Broward County, Florida, Case Number CACE 16-009474 (18), pending in the Circuit Court of the 17th Judicial Circuit, in and for Broward County, Florida (the “**Lawsuit**”). National Roofing sought the unpaid contract balances on the project totaling \$127,836.69 for the Projects, not including fees and interest.

Except for the North Central Area Office project, the scope of all construction work has been completed on the Projects. The additional work required to be performed on the North Central Area Office project falls outside of National Roofing’s contractual obligations, and because National Roofing is no longer in business, such work will be completed by others. Accordingly, an item for the Final Acceptance of the North Central Area Office project shall be presented to the SBBC at a future date.

Through settlement negotiations, National Roofing has agreed to accept payment from the SBBC in the total amount of **\$127,176.76** in full and complete settlement of the Lawsuit.

Of this amount, one payment in the amount of **\$6,125.00** shall be made payable directly to Soprema, Inc. (the roofing materials manufacturer for the Atlantic Technical Center), and **\$800.00** shall be made payable directly to IA Engineering and Design, Inc. c/o Irving Abcug (the Engineer of Record for the Projects), and **\$120,251.76** shall be made to National Roofing via payment to the Vezina Lawrence and Piscitelli P.A. Trust Account. All payments shall be made within 15 days of approval of this Settlement Agreement.

This item resolves and settles all litigation between the School Board and National Roofing, except potential future claims for personal injury and latent defects. Neither party admits liability for the claims.

District Staff and the General Counsel’s Office recommend approval of the Settlement Agreement as a fair, reasonable and cost-effective resolution of the dispute between the parties.