

RESOLUTION 16-130

**A RESOLUTION TO AUTHORIZE SETTLEMENT OF THE DISPUTE BETWEEN
THE CITY OF SPRING HILL, TENNESSEE, AND CTI ENGINEERS, INC.**

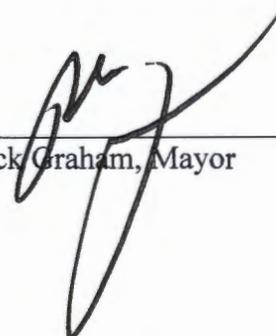
WHEREAS, the City of Spring, Tennessee ("the City"), has been involved in negotiations to resolve a dispute with CTI Engineers, Inc. ("CTI") pertaining to design, engineering and construction oversight deficiencies at the Wastewater Treatment Plant; and

WHEREAS, CTI provided design, engineering and construction oversight services in conjunction with the City's new Wastewater Treatment Plant; and

WHEREAS, CTI has agreed to pay the City Five Hundred Thousand Dollars (\$500,000.00) in full resolution of said dispute in exchange for a full release of any and all liability, real or imagined, with regard to said controversy.

NOW, THEREFORE, BE IT RESOLVED, that the City of Spring Hill Board of Mayor and Aldermen ("BOMA") authorizes the full resolution of the dispute with CTI by accepting a Five Hundred Thousand Dollar (\$500,000.00) payment from CTI and further authorizes the Mayor to execute any and all settlement documentation necessary to effectuate same.

Passed and adopted by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee on the 19th day of September, 2016.



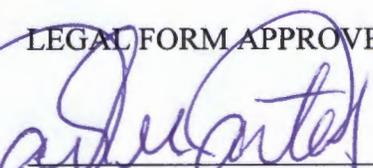
Rick Graham, Mayor

ATTEST:



April Goad, City Recorder

LEGAL FORM APPROVED:



Patrick Carter, City Attorney

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (hereinafter the “Agreement”) is made and entered into this _____ day of September _____, 2016 by and between CTI Engineers, Inc. (“CTI”) and the City of Spring Hill, Tennessee (“Spring Hill”). CTI and Spring Hill are collectively referenced herein as “Parties.”

WHEREAS, CTI and Spring Hill entered into agreement(s) for design, contract administration, including construction oversight, and consulting services, including the CTI/Spring Hill agreement dated on/about July 10, 2009 and the CTI/Spring Hill agreement dated on/about February 3, 2011 (collectively, the “Project Agreements”), for the Spring Hill Waste Water Treatment Plant expansion (“the Project”), as set forth in the Project Agreements; and

WHEREAS, Spring Hill alleged and/or asserted that problems existed in the design and construction of the Project related to the oxidation ditches (the “Claims”); and

WHEREAS, as a result of the Claims, CTI and Spring Hill met in mediation on August 31, 2016 and reached an agreement to resolve the Claims; and

WHEREAS, it is now the mutual desire of CTI and Spring Hill to acknowledge the settlement of the Claims;

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the adequacy of all such consideration being hereby acknowledged, the Parties hereto agree as follows:

1. Spring Hill, in consideration of the payment by or on behalf of CTI of Five Hundred Thousand and no/100 Dollars (\$500,000.00) (“the Settlement Funds”) to Spring Hill, and/or to a contractor designated by Spring Hill to perform modification work on the Project

oxidation ditch slabs, hereby agrees to release CTI, except for breaches of this Agreement, including CTI's current and previous parents, subsidiaries, divisions, members, affiliated entities, heirs, successors, predecessors, assigns, officers, directors, stockholders, attorneys, insurers, employees, subcontractors, agents and representatives, and Spring Hill does hereby irrevocably waive, release and forever discharge CTI, including any current and previous parents, subsidiaries, divisions, members, affiliated or related entities, heirs, successors, predecessors, assigns, officers, directors, principals, partners, stockholders, attorneys, insurers, employees, agents, representatives, and all other persons or entities associated with CTI who are or might be liable, from any and all complaints, actions, claims, debts, demands, damages, causes of action, obligations, liabilities, and lawsuits of any kind or nature whatsoever, whether known or unknown, which in any way relate to or arise out of the Project and and/or the Project Agreements;

2. CTI, or its professional liability insurer, on behalf of CTI, at the written request of Spring Hill, shall make such payments as Spring Hill directs from the Settlement Funds directly to a contractor selected by Spring Hill to make modifications to the Project oxidation ditches. In no event shall CTI and its insurer be obligated to make any payment to Spring Hill or its designated contractor more than the amount of the Settlement Funds, \$500,000.00. Any amount of the Settlement Funds not directed by Spring Hill to be paid to a contractor shall be paid to Spring Hill within 30 days of written direction by Spring Hill to CTI or CTI's insurer. Payments by or on behalf of CTI to Spring Hill's designated contractor shall be made within 30 days of written request by Spring Hill that such payments be made.

3. CTI shall have no obligation to observe, inspect or monitor any work on the oxidation ditch slabs that may be undertaken by Spring Hill's designated contractor pursuant to this Settlement Agreement.

4. This Settlement Agreement shall be construed and interpreted in accordance with the laws of the State of Tennessee;

5. Any action to enforce any provision of this Agreement shall be filed in a court of competent jurisdiction in Maury County, Tennessee.

6. The parties have each reviewed the terms of this Agreement with their respective legal counsel and agree that it fully represents the terms and conditions of their agreement and that Spring Hill and CTI are executing it voluntarily and with full knowledge of its significance. This Agreement has been negotiated; it will not be construed as being drafted by one party as against another party. The individual(s) executing this Agreement on behalf of CTI and Spring Hill represent(s) and warrant(s) that he/she has full power and authority to do so.

7. This Agreement may be executed in counterparts, each of which shall constitute a complete original, which may be introduced in evidence or used for any other purpose without production of any other counterparts. Signatures on a facsimile or email copy of this Agreement shall be considered as valid as original signatures.

8. The Parties agree that the agreements and release of claims recited herein made or to be made by or on behalf of them are in compromise and settlement of disputed claims and that the agreements and the releases are not to be construed as admissions of liability, the Parties desiring to avoid litigation expense and the risks of any trial and to obtain an early resolution of the Claims;

