

Date:	Reference No.:	Agenda Item No.:
09/07/12	Resolution #2012-28	08.01.

Subject: A Resolution Approving an Additional Appropriation in the Amount of \$110,000 from the MVH Fund

Summary of Request:

During construction of the 56th Street Project, the Town purchased right of way along the road and proceeded to clear the right of way of any obstructions, which included a dilapidated bill board. The Town did not check the documents regarding the right of way purchase and removed the bill board without an understanding that there was an existing and continuing lease for the sign with Lamar Signs. With that sign being removed prior to the end of the lease, Lamar brought suit against the Town for damages in the form of lost rental revenues. Using a cacluation, Lamar estimated well over \$100,000 in lost revenue and damages and with the Town Attorney finding other results from similar cases, decided that the best option for the Town was to settle the lawsuit. To this end, the Town Attorney has reached an agreement with Lamar Signs in the amount of \$110,000 to settle the case and end the suit. Staff is recommending that this expense be taken from the Motor Vehicle Highway (MVH) Fund and due to the fact that no such amount was budgeted for in the 2012 budget, is requesting an additional appropriation in that fund to cover the payment. The resolution has been noticed.

Financial Summary:

Budget Funds Available	If Yes, Amount
<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	

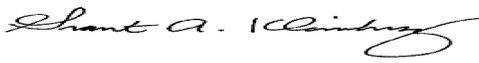
Budget Fund Information:	Line Item Name	Line Item Number

Recommend Bid/Contract Amount: N/A

Estimated Project Costs: (whole numbers)	Architecture/Engineering	N/A
	Construction/Procurement	N/A
	Contingency	N/A
	Miscellaneous Costs	N/A
	TOTAL ESTIMATE	N/A
	Future Expenses (if any)	N/A
	Revenue Generated (if any)	N/A

Department Head Approval:

Date:

Assistant Town Manager Approval:	
Date:	
ATM Comments:	
Supporting Documentation:	
Resolution #2012-28	
Action Requested:	
Approval of the Resolution authorizing an additional appropriation in the amount of \$110,000 in the MVH Fund to pay the settlement costs of the lawsuit with Lamar Signs.	
Town Manager Approval: 	
Date:	09/07/12
TM Comments:	
After discussions with the Town Attorney and after receiving consent from the Town Council in an Executive Session, I recommend approval of this Resolution authorizing the Additional Appropriation so that the matter can be resolved with payment.	