Board Agenda Item 42

DATE: November 28, 2023

TO: Board of Supervisors

SUBMITTED BY: Daniel C. Cederborg, County Counsel

SUBJECT: Settlement Agreement and Release - Fresno-Air LTD.

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute a Settlement Agreement and Release to fully resolve the claims by Fresno-Air LTD (Claimant), for a settlement sum of $98,092.

Approval of the recommended action will execute the Settlement Agreement and Release, which will fully resolve the claims Claimant may assert against the County up to and including the date the agreement is signed by the Chairman. In exchange for this release, the County would pay a total settlement amount of $98,092 to Claimant. This item is countywide.

ALTERNATIVE ACTION(S):

If the Board does not approve the Recommended Action, Claimant would not release its claims against the County and could pursue those claims through litigation.

FISCAL IMPACT:

Under the recommended Settlement Agreement and Release, the County would pay $98,092 to Claimant. There are sufficient appropriations for this payment in the Sheriff-Coroner-Public Administrator's FY 2023-24 Adopted Budget Org 31113300, Fund 0001, Subclass 10000, Account 7430.

DISCUSSION:

Since July 2011, the Sheriff's Office ("Sheriff") has leased office and warehouse space in Fresno from Claimant. As part of the lease agreement, Sheriff was obligated to pay all utilities associated with its use of the premises; however, during the Claimant's recent financial audits, it was discovered that one PG&E meter was erroneously left in Claimant's name since the start of the tenancy. Claimant has requested reimbursement from County for $98,092. On August 8, 2023, your Board authorized settlement in the total amount of $98,092. In exchange for the settlement sum of $98,092, Claimant waives and releases all legal claims against the County and its employees and officers.

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Settlement Agreement and Release

CAO ANALYST:

Ahla Yang