

1 Introduced by the Council President at the request of the Mayor:
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4 **ORDINANCE 2021-886**

5 AN ORDINANCE APPROVING THE SETTLEMENT OF
6 POTENTIAL CLAIMS BY AND BETWEEN THE CITY OF
7 JACKSONVILLE AND VRL ARCHITECTS, INC., M.V.
8 CUMMINGS ENGINEERS, INC., TRANE U.S. INC., D/B/A
9 TRANE COMMERCIAL SYSTEMS NORTH FLORIDA AS SET
10 FORTH IN THE FOURTH JUDICIAL CIRCUIT COURT CASE
11 NUMBER 16-2019-CA-003913 (THE "LAWSUIT");
12 APPROVING AND AUTHORIZING EXECUTION OF A
13 PROPOSED SETTLEMENT AND RELEASE AGREEMENT;
14 AUTHORIZING THE GENERAL COUNSEL AND HIS
15 DESIGNEE(S) TO TAKE ALL FURTHER ACTION TO
16 RESOLVE THE POTENTIAL CLAIMS; PROVIDING AN
17 EFFECTIVE DATE.
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19 **WHEREAS**, in or about 2016 and 2017, the City of Jacksonville
20 ("City") replaced the air conditioning/HVAC system at the Animal Care
21 and Protective Services shelter located at 2020 Forest Street, in
22 Jacksonville, Florida ("HVAC Project"); and

23 **WHEREAS**, VRL ARCHITECTS, INC. ("VRL"), a local architectural
24 firm, entered into a contract with the City to provide architectural
25 and engineering services to the City in connection with the HVAC
26 Project; M.V. CUMMINGS ENGINEERS, INC. ("MVCE"), a local engineering
27 firm, entered into a subcontract with VRL to provide the engineering
28 services required of VRL in connection with the HVAC Project; Trane
29 U.S. INC. ("Trane"), a national HVAC equipment manufacturer, entered
30 into a contract with the City to provide the equipment used in the
31 HVAC Project to replace the original HVAC equipment;

1 **WHEREAS**, shortly after the HVAC system was installed at ACPS,
2 the City began experiencing multiple issues associated with excessive
3 air pressure, humidity, and ammonia levels. Over time, many solutions
4 were proposed, and modifications made to the HVAC system, but no
5 proposed solution or modification ever resulted in fully correcting
6 the issues. Eventually, efforts by the contracted parties to resolve
7 the outstanding issues ceased. As a result, the City filed suit
8 against VRL, MVCE, and Trane to recover its damages. Because the
9 City had not completed payment to Trane for the manufactured
10 equipment, Trane filed a counterclaim against the City, seeking to
11 recover that outstanding amount;

12 **WHEREAS**, VRL, MVCE, and Trane (in varying amounts) have agreed
13 to pay the City a total amount of \$750,000, which will offset the
14 cost of future replacement HVAC units and any necessary remediation
15 efforts caused by the excessive humidity; and

16 **WHEREAS**, the City, VRL, MVCE, and Trane wish to resolve all
17 matters relating to the Lawsuit, thereby avoiding the risk of
18 increased costs, expenses, and attorney's fees associated with
19 potential litigation; and

20 **WHEREAS**, the parties have developed a proposed agreement to
21 resolve the potential claims without admitting any liability or fault;

22 Now therefore, **BE IT ORDAINED** by the Council of the City of
23 Jacksonville:

24 **Section 1. Release of Claims Authorized.** Subject to the
25 provisions of Section 2 below, the Office of General Counsel is
26 authorized to release any and all claims against VRL, MVCE, and Trane
27 in accordance with the proposed Settlement Agreement and Mutual
28 Release (attached hereto as "EXHIBIT 1") and is authorized to execute
29 the same.

30 **Section 2. Settlement Approved.** (a) The proposed Mutual
31 Settlement Agreement and Release attached hereto as Exhibit 1 and

1 hereby incorporated by reference in this Ordinance is approved. The
2 Mayor or his designee is authorized to execute the Agreement, in
3 substantially the form attached, on behalf of the City. In addition,
4 the General Counsel or her designee is authorized to execute all
5 other settlement documents necessary to conclude the approved
6 settlement.

7 **Section 3. Effective Date.** This Ordinance shall become effective
8 upon signature by the Mayor or upon becoming effective without the
9 Mayor's signature.

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11 Form Approved:

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13 /s/ Rita M. Mairs

14 Office of General Counsel

15 Legislation Prepared By: Rita M. Mairs

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