

City of Fort Worth, Texas

Mayor and Council Communication

DATE: 02/25/25M&C FILE NUMBER: M&C 25-0143

LOG NAME: 12BLUE SKY SETTLEMENT

SUBJECT

(ALL) Authorize Settlement and Acceptance of \$650,000.00 for Full and Final Settlement of All Claims Related to the Pre-Suit Mediation Styled The City of Fort Worth v. Blue Sky Surveying & Mapping Corporation and David R. Petree; Authorize Related Agreements and Releases; Adopt Appropriation Ordinance; and Amend the Fiscal Years 2025-2029 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize settlement and acceptance of \$650,000.00 from Blue Sky Surveying & Mapping Corporation and Davd R. Petree for full and final settlement of all claims related to the pre-suit mediation styled The City of Fort Worth v. Blue Sky Surveying & Mapping Corporation and David R. Petree;
2. Authorize the appropriate City Personnel to execute all releases and agreements necessary to complete the settlement;
3. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the ARPA City Hall Move Project (City Project No. 103133) of the General Capital Projects Fund in the amount of \$650,000.00, from available settlement revenue, for the purpose of funding renovations on the 18th floor at New City Hall ; and
4. Amend the Fiscal Years 2025-2029 Capital Improvement Program.

DISCUSSION:

The City has made a claim against Blue Sky Surveying & Mapping Corporation and David R. Petree for the work that was performed on a survey that the City relied on to purchase the Pier One building that would become New City Hall. Moreover, the City relied on the survey in its planning to its detriment.

The City hired Cantey Hanger LLP to assist in this matter (Mayor and Council Communication 23-0249 and Resolution 5730-04-2023) in an effort to recover funds and partially compensate the City for expenditures that were made as a result of the alleged surveying mistakes.

The parties mediated the matter on January 8, 2024. It is recommended that all issues related to the City’s claims against Blue Sky Surveying & Mapping Corporation and David R. Petree be settled by accepting \$650,000.00.

Approval of this Mayor and Council Communication authorizes the City Attorney’s Office and City Manager’s Office to enter into agreements and releases consistent with this settlement.

The City intends to use the revenue from the settlement of \$650,000.00 to renovate the 18th Floor at the New City Hall.

The additional funding was not included in the Fiscal Years 2025-2029 Capital Improvement Program (CIP) since it is due to a settlement and is unplanned revenue. The action in this Mayor and Council Communication will amend the FY2025-2029 Capital Improvement Program as approved in connection with Ordinance 27107-09-2024 as follows:

Capital Fund Name	Project Name	Existing Appropriations	Authority	Additional Appropriations	Project Total
30100 – General Capital Projects Fund	103133 – ARPA City Hall Move	\$2,000,000.00	M&C 21-0905	\$0.00	\$2,000,000.00
30100 – General Capital Projects Fund	103133 – ARPA City Hall Move	\$1,098,189.95	M&C 23-0696	\$0.00	\$3,098,189.95
30100 – General Capital	103133- ARPA City Hall Move	\$0.00	This M&C	\$650,000.00	\$3,748,189.95

Projects Fund					
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A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendations and execution of the settlement, funds will be deposited into the General Capital Projects Fund for the ARPA City Hall Move project. The Property Management Department (and Financial Management Services) is responsible for the collection and deposit of funds due to the City.

Submitted for City Manager's Office by: ALL ACMS 6122

Originating Business Unit Head: Leann Guzman 8973

Additional Information Contact: Leann Guzman 8973

Expedited