

## SAMPSON LITIGATION SETTLEMENT STATEMENT

Delivered by Town Attorney at April 7, 2015 Regular Meeting of the Town Council

- A. I want to report that the lawsuit between Sampson Contracting, Inc. and the Town has been settled and that the settlement has recently been concluded with dismissals of all defendants being entered in the Dare County Clerk of Superior Court's Office.
  
- B. Despite the likelihood of a trial ending in favor of the Town, the ever present risk of incurring liability at trial and the expected costs of going to trial weighed in favor of reaching a settlement and bringing the matter to a close. Additionally, the potential for the Town to recover any such liability against other defendants was limited and, again, would certainly incur additional substantial litigation costs.
  
- C. The terms of the settlement were reached at mediation. In exchange for a complete release and dismissal of all claims against the numerous defendants, the defendants agreed to pay Sampson Contracting, Inc. the amount of \$248,000.00. The Town contributed \$123,500.00 to the total settlement amount. All of the parties will bear their own attorneys' fees, costs and expenses.
  
- D. In the past, there have been questions regarding whether the Town was paying Mayor Bennett's attorneys' fees, expenses or other liabilities. Early on in the process, prior to Mayor Bennett's election, it was determined that his independent contractor status precluded the Town paying anything on his behalf, and the Town has not paid anything on his behalf to defend this litigation.

