



Las Vegas

Agenda Item No.: 62.

**AGENDA SUMMARY PAGE**  
**CITY COUNCIL MEETING OF: MAY 7, 2008**

**DEPARTMENT:** CITY ATTORNEY  
**DIRECTOR:** BRADFORD R. JERBIC

Consent  Discussion

**SUBJECT:** Discussion and possible action for cost reimbursement of Harrison, Kemp & Jones to represent the City of Las Vegas in an arbitration filed against it by Asphalt Products Corporation over the construction of Washington Buffalo Park Phases 1-A and 1-B for an amount not to exceed \$700,000 (General Fund - Ward 4 - Crown)

**Fiscal Impact**

No Impact  Augmentation Required  
 Budget Funds Available

**Amount:** \$700,000  
**Funding Source:** General Fund  
**Dept./Division:** City Attorney

**PURPOSE/BACKGROUND:**

Asphalt Products Corporation (APCO) contracted with the City to construct Washington Buffalo Park Phases 1-A and 1-B December 17, 2003. APCO constructed the park and City staff found the construction to be defective. APCO demanded that the City pay millions of dollars in addition to the contract price. City staff refused. APCO filed for arbitration in December 2005. The arbitration commenced September 5, 2007 and APCO spent 32 days attempting to prove its case seeking \$7 million. The City has started to prove its counterclaims for millions of dollars. The City Council has previously authorized funding in an amount of \$2.3 million. Consultant, expert witnesses, testing, printing, arbitration, related expenses, and attorneys' fees now exceed \$2.2 million.

**RECOMMENDATION:**

Approval

**BACKUP DOCUMENTATION:**

None

Motion made by GARY REESE to Strike Items 60 and 61 and Hold in Abeyance Item 62 to 5/21/2008 (with GOODMAN abstaining on Item 62)

Passed For: 7; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 0  
RICKI Y. BARLOW, LOIS TARKANIAN, LARRY BROWN, OSCAR B. GOODMAN,  
GARY REESE, STEVE WOLFSON, STEVEN D. ROSS; (Against-None); (Abstain-None);  
(Did Not Vote-None); (Excused-None)

NOTE: Under Item 11, MAYOR GOODMAN disclosed that he would abstain on Item 62 upon the advice of the City Attorney, as he has a partnership interest with one of the parties involved in litigation.