TO: Brighton City Council

FROM Frank Lopez, Esq., Glade Voogt Lopez Smith P.C.

C/O: Jack D. Bajorek, Brighton City Attorney

RE: Curtis Bauers' Legal Claims

DATE: 12/9/2019

I. Background

This memorandum concerns the proposed resolution regarding allegations made by former Director of Utilities Curtis Bauers that the City of Brighton and various of its agents and employees violated his constitutional rights, defamed him, improperly terminated him and engaged in whistleblower retaliation. This matter has been the subject of Executive Session meetings, which are privileged and confidential. Without waiving the applicable privileges, we believe that the City has meritorious defenses to Mr. Bauers' claims. Indeed, the City may prevail in an effort to dismiss some or all of his anticipated claims or even prevail at trial. However, as with any litigation, no assurance can be made that the claims will be dismissed or that the City and individual defendants will be successful in part or in whole in defeating Mr. Bauers' claims.

As you know, the City's insurer would cover the cost of defense for the City. Moreover, in the event of an adverse outcome, the insurer may cover some or all of a judgment obtained by Mr. Bauers. In addition to the risk that some or all of a judgment may not be covered, if this matter proceeds to litigation, you can anticipate that it will be burdensome to the City, its employees and its resources that will be called upon to assist in the defense of the case. You can also anticipate that, given the allegations, even the City Council members not personally accused by Mr. Bauers may be drawn into the litigation.

Under these circumstances, the City agreed to attempt to mediate Mr. Bauers' claims with the assistance of the Judicial Arbiter Group in Denver, Colorado. After a day of confidential mediation, where the City was represented by me, its General Services Director and City Attorney, the parties reached a tentative resolution that is contingent on approval by the City Council, and the financial component of which will be paid for in its entirety by the City's insurer.

II. Terms of Proposed Resolution

Mr. Bauers is amenable to a pre-trial resolution of his claims pursuant to which:

- 1. The City's insurer CIRSA will pay him an amount that approximates ten and one-half months of his former salary, and benefits with the City. Given that Mr. Bauers was a highly compensated City employee, that payment by the insurer to Mr. Bauers equates to \$197,743.00. That amount would be the total financial payment to Mr. Bauers, and is inclusive of any attorneys' fees claimed by Mr. Bauers.
- 2. Mr. Bauers' termination would be reclassified to a resignation.
- 3. The City would provide Mr. Bauers a letter of recommendation in the form attached to the settlement agreement submitted for your consideration.
- 4. Mr. Bauers would release the City and its former and current employees and agents from any and all claims and covenant not to sue the City or its former and current employees and agents.

5. The City would agree to release any claims it has against Mr. Bauers. As you know from prior litigation experience, this provision is common to settlement agreements and means that the City could not sue Mr. Bauers for any reason even if that reason is unknown by the City at this time.

Other terms of the settlement are set forth in a draft settlement agreement provided herewith.

Accordingly, if you desire to resolve this matter at this stage and allow the City to move forward with its renewed focus on process improvement and continuing efforts to focus upon and improve services provided to its citizens, the proposed resolution would help to facilitate such efforts.