



## CITY OF GRAND PRAIRIE COMMUNICATION

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**MEETING DATE:** 06/21/2022

**REQUESTER:** Tiffany Bull, Assistant City Attorney

**PRESENTER:** Megan Mahan,

**TITLE:** Approve \$200,000 settlement with Poly-America, L.P. for reimbursement of expenses incurred by Grand Prairie in relation to the August 19, 2020 fire at 2000 W. Marshall, Grand Prairie, Texas

**RECOMMENDED ACTION:** Approve

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### ANALYSIS:

On August 19, 2020, Poly-America suffered a hazardous material related fire at 2000 W. Marshall, Grand Prairie, Texas. The fire required response from Grand Prairie's Hazardous Materials Response Team as well as other local entities. In accordance with Section 12-14 of the Grand Prairie Code of Ordinances, the Fire Department evaluated the unbudgeted costs attributable to the hazardous material response and issued an invoice to Poly-America for \$235,603.38. This amount includes \$130,748.40 which was paid to assisting entities as required by state mutual aid law. As the mutual aid costs were unbudgeted, they were paid for from the trust fund. Poly-America has been unable to recover their reported losses from their insurance company, but would like to settle the outstanding cost recovery with the City. Poly-America has offered to reimburse the City of Grand Prairie \$200,000 in exchange for a full release of claims related to the costs incurred by the City in response to the fire. Staff has evaluated the settlement and believes the settlement to be fair and equitable given the circumstances.

### FINANCIAL CONSIDERATION:

The City will receive \$200,000 which will be paid to the risk fund. The money received will then be distributed as appropriate including disbursing \$130,748.40 to the trust fund for the mutual aid response.