Update on Sherborn Library Construction and Litigation

The Sherborn Library Trustees along with the Library Building Committee and Sherborn Select Board wanted to share an update on the library construction project and litigation.

On January 16, 2024 the Library received its Full Certificate of Occupancy from the Town Building Inspector, after operating under a Temporary Certificate of Occupancy issued in early 2023 while final construction work was being completed.

In early February, the Town of Sherborn agreed to settle the litigation that arose from the project. The agreement is reflected in a "Settlement Agreement and Release," which is among the Town and the other parties to the litigation (the Defendants), i.e., Five Star Building Corp. (the original general contractor whose contract was terminated by the Town in 2020), Travelers Casualty and Surety Company of America (the surety that issued the performance bond for the project and undertook its completion following the Town's termination of Five Star Building Corp.), and Beacon Consulting Group (the completion contractor hired by the surety to complete the project). The library construction project had been in litigation since October 2020. The Settlement Agreement and Release allows the Town to forgo a costly and time consuming trial of a complex case where the outcome would be uncertain and remain subject to a potentially years-long appeals process.

Highlights of the Settlement Agreement and Release include:

- the Town receives a \$660,000 cash payment from the Defendants.
- the Town also keeps the remaining contract balance of approximately \$593,000 (which the Defendants claimed in the litigation and which, together with the \$660,000 cash payment, results in a total settlement value of more than \$1 million paid to the Town).
- the Town pays nothing to any of the Defendants.
- the Defendants dismiss all claims asserted against the Town in the litigation, including Five Star Building Corp.'s claim for payment of "more than \$3 million."
- the Town dismisses all claims asserted against the Defendants in the litigation.
- the Defendants are released by the Town from any future claims arising from the library project except for any warranty claims asserted up to June 2024 for certain flashing and waterproofing work specified in the agreement.
- the Town is released by the Defendants from any future claims arising from the library project.

The full Settlement Agreement and Release is available for public disclosure and can be <u>found here</u> along with other litigation related documents and filings with the Massachusetts Attorney General's Office.

Should you have specific questions, please e-mail sherborn@minlib.net and we will do our best to respond to your inquiry. If we do not respond by e-mail, we may address the subject matter of your questions at the open public meetings of the Library Trustees and the Library Building Committee, which meet monthly. The dates, times and location of these meetings are posted on the Town of Sherborn website:

<u>https://www.sherbornma.org/calendar</u>. Citizens are invited to attend these meetings to learn more about the library and ask questions.