

# CITY COUNCIL REPORT

Item 18



Meeting Date: June 9, 2026  
General Plan Element: *Provide for the orderly administration of the affairs of the City*  
General Plan Goal: *Fiscal management*

## ACTION

### Adopt Resolution No. 13713 authorizing

- (1) Agreement No. 2026-117-COS with Plaintiff Linda Cebulski in the amount of \$100,000 to settle all claims in *Linda Cebulski v. City of Scottsdale, et al.*, Case No. CV2024-030815, currently pending in the Maricopa County Superior Court, and
- (2) That the City Council authorizes and directs the City Manager, the City Treasurer, and the City Attorney, and their respective staffs to execute such documents and take such other actions as are necessary to carry out the purpose of the Resolution.

## BACKGROUND

This lawsuit arises from a trip and fall that occurred on February 7, 2024. Linda Cebulski was walking on the sidewalk near 7088 East 5<sup>th</sup> Avenue in Scottsdale, when she tripped on a raised sidewalk panel, fell and sustained injuries. Ms. Cebulski's injuries included a tibial plateau fracture, which required surgery to stabilize her knee and post-surgical treatment. Ms. Cebulski incurred approximately \$133,850 in medical bills. Subsequently, Plaintiff filed a Notice of Claim seeking \$340,000 in damages.

Plaintiff's lawsuit alleged negligence against (1) the City, (2) the owner of the adjacent building, (3) the property manager, and (4) the retail tenant. The parties engaged in extensive discovery, including expert reports and depositions. The other defendants settled Plaintiff's claims against them during mediation in 2025 for an unknown sum. The City was unable to reach a settlement with Plaintiff at that time and the parties continued to prepare for trial, set for August 11-17, 2026.

After additional exchanges of expert reports and depositions, the City and Plaintiff informally reengaged the mediator to assist the parties in continuing settlement negotiations, based on the additional information learned. Subject to City Council approval, the parties have agreed to resolve this litigation for \$100,000.00. This will resolve the entirety of the lawsuit filed by Ms. Cebulski, including her alleged pain and suffering.

City staff is recommending that the City Council approve this settlement because the cost, uncertainty, and risk of going forward to trial in this case far outweigh the amount of this negotiated settlement.

Action Taken \_\_\_\_\_

## **ANALYSIS & ASSESSMENT**

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### **Recent Staff Action**

The matter is being handled in-house by the City Attorney's Office in collaboration with the Safety and Risk Management Division. Staff believes that settlement is in the best interests of the City.

### **Policy Implications**

None.

### **Significant Issues to be Addressed**

None.

### **Community Involvement**

No community involvement is necessary on this item.

## **RESOURCE IMPACTS**

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### **Available funding**

The proposed settlement will require a total payment of \$100,000 from the City to the Plaintiff. Funds are available in the City's FY 2025/26 Safety and Risk Management Operating Budget to pay the settlement. If the settlement is denied, the City will likely spend thousands of dollars in expenses and hundreds of staff hours in the defense of this case through trial.

### **Staffing, Workload Impact**

Approval of the proposed settlement brings this claim to a conclusion and will eliminate the need for staff resources from the City Attorney's Office, Safety and Risk Management and other involved departments to be spent on this case.

### **Future Budget Implications**

The proposed settlement of \$100,000 may be included in the City's primary property tax rate for the next year, at the Council's discretion. The eligibility of settlement and judgment payments for possible inclusion in the City's primary property tax rate is based upon an Arizona Attorney General opinion.

## OPTIONS & STAFF RECOMMENDATION

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### Recommended Approach

The City Attorney's Office recommends that the Council adopt Resolution No. 13713 and authorize settlement of this lawsuit as proposed. City Management has been consulted and is supportive of the proposed settlement as well.

### Proposed Next Steps

If the settlement is approved, City representative(s) will execute settlement documents as proposed.

### RESPONSIBLE DEPARTMENT(S)

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City Attorney's Office – Civil Division  
Safety and Risk Management

### STAFF CONTACTS (S)

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Luis E. Santaella, City Attorney, [lsantaella@scottsdaleaz.gov](mailto:lsantaella@scottsdaleaz.gov)  
George Woods, Safety and Risk Management Director, [gwoods@scottsdaleaz.gov](mailto:gwoods@scottsdaleaz.gov)

### APPROVED BY

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George Woods, Safety & Risk Management Director  
480-312-7040  
[gwoods@scottsdaleaz.gov](mailto:gwoods@scottsdaleaz.gov)

05/26/2026  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Luis E. Santaella, City Attorney  
(480) 312-2405  
[lsantaella@scottsdaleaz.gov](mailto:lsantaella@scottsdaleaz.gov)

5/26/2026  
\_\_\_\_\_  
Date

**ATTACHMENTS**

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- 1. Resolution No. 13713
- 2. Contract No. 2026-117-COS

**RESOLUTION NO. 13713**

A RESOLUTION OF THE COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING SETTLEMENT IN THE AMOUNT OF \$100,000.00 TO SETTLE *LINDA CEBULSKI v. THE CITY OF SCOTTSDALE, ET AL.*, CASE NO. CV2024-030815, IN THE MARICOPA COUNTY SUPERIOR COURT, AND AUTHORIZING THE MAYOR TO EXECUTE CONTRACT NO. 2026-117-COS.

WHEREAS, Plaintiff Linda Cebulski filed suit against the City of Scottsdale alleging damages for injuries arising from a trip and fall which occurred on or about February 6, 2024;

WHEREAS, the City continues to dispute liability, but it is in the best interest of the City to effectuate a settlement of all claims against the City arising from the subject trip and fall and which form the basis of the lawsuit, *Linda Cebulski v. the City of Scottsdale, et al.*, Case No. CV2024-030815, currently pending in the Maricopa County Superior Court .

WHEREAS, the parties have agreed to resolve the disputed issues and compromise all claims by settling herein.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Scottsdale, Maricopa County, Arizona, as follows:

Section 1. That the City Council hereby authorizes the Mayor to execute Contract No. 2026-117-COS on behalf of the City to settle and resolve *Linda Cebulski v. City of Scottsdale, et al.*, Case No. CV2024-030815 in its entirety with the amount of One Hundred Thousand Dollars and No Cents (\$100,000.00) to be paid by the City to Plaintiff Linda Cebulski; and

Section 2. That the City Council approves the settlement set forth above and authorizes and directs the City Manager, the City Treasurer, and the City Attorney, and their respective staffs to execute such documents and take such other actions as are necessary to carry out the purpose of the Resolution.

PASSED AND ADOPTED by the Council of the City of Scottsdale, Maricopa County, Arizona this \_\_\_ day of June, 2026.


CITY OF SCOTTSDALE, an Arizona  
municipal corporation

ATTEST:

\_\_\_\_\_  
Lisa Borowsky, Mayor

\_\_\_\_\_  
Ben Lane, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Stephanie Heizer  
Principal Assistant City Attorney

Attachment 1

**SETTLEMENT AGREEMENT  
AND GENERAL RELEASE**

This Settlement Agreement and General Release of All Claims ("Agreement") is entered into by and between LINDA CEBULSKI ("Plaintiff") and the CITY OF SCOTTSDALE, a municipal corporation, its employees, officers, and agents ("City"). Plaintiff and City may be referred to jointly as the "Parties".

**RECITALS**

A. On or about February 7, 2024, Plaintiff alleges that as she was walking on the sidewalk near 7088 E. 5th Avenue in Scottsdale, Arizona, she tripped and fell on an uneven sidewalk and is claiming injuries and damages as a result of her fall (collectively hereinafter referred to as the "event").

B. Plaintiff filed a lawsuit against the City in the Superior Court of Maricopa County, Arizona, entitled *Linda Cebulski v. City of Scottsdale, et al.*, Case No. CV2024-030815, alleging damages for injuries she allegedly sustained in the event.

C. Despite the fact that liability has not been admitted regarding the claim asserted by Plaintiff in the lawsuit and the fact that this claim remains disputed, Plaintiff desires to finally and fully resolve all past, present, and potential disputes, claims, and issues as between the Parties relating to or arising out of Plaintiff's event and the facts and circumstances that gave rise to the Plaintiff's alleged injuries. The Plaintiff and the City desire to avoid further expense, inconvenience, and the distraction of burdensome and protracted litigation. This Agreement is intended to resolve any dispute which may exist between the Parties. The Plaintiff intends to execute this Agreement in order to provide for certain payment in full settlement and discharge of all claims which are, or might have been, brought against the City as a result of the event, upon the terms and conditions set forth below.

**AGREEMENT**

In consideration of the promises and releases set forth herein, the Parties agree as follows:

1. *Settlement Payment.* The total payment by the City for the settlement of this claim shall be ONE HUNDRED THOUSAND DOLLARS and 00/100 (\$100,000.00) which includes any and all claims for costs and attorneys' fees, with the payment to be made to "Garrison Law Firm in Trust for Linda Cebulski". Plaintiff acknowledges and agrees that this settlement payment is the full and entire amount that Plaintiff will ever receive from the City in connection with the claims and event described above. If Plaintiff is or was represented by counsel, Plaintiff acknowledges that any fees due to her counsel shall be Plaintiff's responsibility, and the City will have no further obligation to pay such sums beyond the amount identified above.

2. *All Claims of Any Kind.* In consideration for the terms and promises herein, Plaintiff hereby fully and generally releases and forever discharges the City, its officers, employees and agents, from any and all claims or liabilities of any nature whatsoever to the extent allowed by law that Plaintiff has or claims to have, or may have, against any of them arising out of the event including any expenses and attorneys' fees, regardless of whether or not such claims or liabilities are known to the Parties at the time of the execution of this Agreement. Plaintiff intends by the execution of this Agreement to release all claims against the City and its employees, officers, and agents including any unknown damages and/or injuries.

3. *No Admission of Liability.* It is understood and expressly agreed that neither the payment of the Settlement Payment nor anything contained within this Agreement shall be construed as an admission of any liability whatsoever on the part of the City which has always and is now expressly

denying any liability. The Parties acknowledge and agree that the Settlement Payment is made in compromise and settlement of a disputed claim.

4. *Liens.* Plaintiff warrants that Plaintiff will satisfy any and all valid liens, including, but not limited to, ERISA liens, Medicare or Medicaid liens, liens pursuant to A.R.S. § 33-931 et seq., liens falling under the rubric of *Andrews v. Samaritan Health System*, 201 Ariz. 379, 36 P.3d 57 (App. 2001); *Blankenbaker v. Jonovich*, 205, Ariz. 383, 71 P.3d 910 (Ariz. 2003); *Maricopa County v. Barfield*, 75 P.3d 714 (App. 2003). Plaintiff will indemnify and hold harmless the City, its employees, officers, agents and representatives, from any and all claims, demands, actions and causes of action, and all liability whatsoever, including, but not limited to costs, attorneys' fees or judgment which might arise from an unpaid or unsatisfied hospital or medical bill and/or lien or lien of any other kind which might apply to the proceeds paid herein.

5. *Indemnify and Hold Harmless.* Plaintiff does hereby covenant to indemnify and save harmless the City from and against all claims and demands whatsoever on account of or in any way growing out of the event or its results both to person and property.

6. *General Release.* Plaintiff acknowledges and agrees that this is a General Release. The Plaintiff expressly waives and assumes the risk of any and all claims for damages which exist of this date, but of which the Plaintiff does not know or suspect to exist, whether through ignorance, oversight, error, negligence, or otherwise, and which, if known, would materially affect the Plaintiff's decision to execute this Release. The Plaintiff further agrees that Plaintiff has accepted payment of the sum specified herein as a complete settlement and compromise of matters involving disputed issues of law and fact. The Plaintiff assumes the risk that the facts or law may be other than Plaintiff believes. The Plaintiff

understands and agrees that this Agreement is a compromise of disputed claim, and the Settlement Payment is not to be construed as an admission of liability on the part of the City, by whom liability is expressly denied.

7. *Review of Agreement.* The Plaintiff declares and represents that no promise, inducement or agreement not herein expressed has been made to the Plaintiff and the terms of this Agreement are contractual and not a mere recital. The Parties expressly acknowledge that they have entered this Agreement knowingly and voluntarily and that each party has had the opportunity to receive the advice of counsel with respect to the Agreement and the settlement of this matter.

8. *Binding Nature of Agreement; Assignment.* This Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, personal representatives, successors and assigns, except that no party may assign, delegate or transfer any of its rights or obligations under this Agreement without prior written consent of the other party.

9. *Arizona Law.* In the event of any dispute arising from the terms of this Agreement, Arizona law shall apply and govern.

10. *Dismissal with Prejudice.* The Parties shall, as soon as practicable after the execution of this Agreement and receipt of the payment described above, execute a stipulation to dismiss with prejudice the lawsuit entitled *Linda Cebulski v. City of Scottsdale, et al.*, Case No. CV2024-030815 now pending in the Superior Court of Maricopa County, Arizona, with each party to bear their own costs and attorneys' fees.

11. *Entire Agreement.* This Agreement constitutes the entire integrated agreement between the Parties and supersedes any and all prior and/or contemporaneous agreements, promises, representations, negotiations, statements and/or understandings of the Parties.


12. *Counterparts.* This Agreement may be executed in counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement.

IN WITNESS WHEREOF, I have hereunder set my hand this 26<sup>th</sup> day of May, 2026.

By:   
Linda Cebulski, Plaintiff

**Approved as to form and agreeing to satisfy all legally valid liens from the proceeds of this settlement before the settlement funds are disbursed:**

GARRISON LAW FIRM



Kevin Garrison  
Daniel Garrison  
Attorneys for Plaintiff

CITY OF SCOTTSDALE, an Arizona Municipal Corporation

By: \_\_\_\_\_  
Lisa Borowsky  
Mayor, City of Scottsdale


Dated: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Ben Lane, City Clerk

Dated: \_\_\_\_\_

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Luis E. Santaella, City Attorney  
By: Stephanie Heizer, Principal Assistant City Attorney

Dated: May 26, 2026