



Kenneth W. Jenkins
County Executive

Department of Law

John M. Nonna
County Attorney

Date: June 1, 2026

To: The Honorable Members of the Board of Legislators

From: John M. Nonna, County Attorney

s/JMN

RE: Sheppard Mullin Retainer for NGM Insurance Company Surety Dispute

Attached for your consideration is an Act, which, if approved by your Honorable Board, would authorize the County of Westchester (the "County") to retain, at County expense, the law firm Sheppard, Mullin, Richter & Hampton LLP ("Sheppard Mullin" or the "Firm") to provide outside counsel and legal services to the County in connection with a dispute the County is having with NGM Insurance Company ("NGM"), as the surety (the "Surety") under Department of Public Works & Transportation (the "Department") Contract No. 18-503.

On October 4, 2018, the County, acting by and through the Department, entered into Contract No. 18-503 with MVM Construction LLC ("MVM") for Golf Course Improvements, New Maintenance Facility and Golf Cart Storage Facility Upgrades at Maple Moor Golf Course, White Plains, in the amount of \$11,598,373.00. MVM provided Performance and Payment Bond No. S308480 (the "Bond"), issued by NGM, as Surety on behalf of MVM, in favor of the County.

MVM defaulted on Contract No. 18-503 in 2022. The County terminated and entered into a Takeover Agreement with NGM dated September 21, 2022 to complete performance under the Bond. NGM has failed to complete the work, and is now claiming that there are underlying design defects which void its obligations to complete the work under the Takeover Agreement. The County seeks to compel NGM to fulfill its Bond obligation to complete the project on behalf of MVM.

Due to the complex and special nature of construction law litigation, and the evaluation and analysis of damages related to such claims, it is in the best interests of the County to retain counsel qualified to handle such litigation. Sheppard Mullin is a firm that specializes in this type of litigation. Moreover, its lead attorney, Ira M. Schulman, Esq., is a nationally-recognized construction law attorney with over 40 years of experience in the field and has successfully represented the County in the past on similar matters. The Firm will be retained to provide legal advice to the County concerning the Surety dispute, and will represent the County in prosecuting

any legal actions commenced by it regarding the dispute. Additionally, the Firm will be retained to defend the County in any legal action commenced by NGM against the County, and, if necessary, prosecute on the County's behalf, any appropriate counterclaims, cross claims, and/or the impleader of third parties (the "Services").

For the Services rendered, the Firm will be paid at the agreed upon rates as follows: \$650.00 per hour for the services of Ira M. Schulman, Esq.; \$500.00 per hour for Sophia Cahill, Esq.; \$475.00 per hour for Michelle Cooper, Esq.; \$375.00 per hour for Haley Adams, Esq.; and \$275.00 per hour for paralegal services; or personnel with comparable experience and ability as those mentioned at the same rate of pay. In no event shall the total amount payable to the Firm under the retainer exceed Fifty Thousand (\$50,000.00) Dollars. In addition, the Firm will be reimbursed, at cost, for reasonable and necessary out of pocket expenses and disbursements. The term of the agreement will commence on May 14, 2026 and will continue until the matter has been resolved.

Accordingly, your Honorable Board's approval of the annexed proposed Act is most respectfully requested.

JMN/MLG/mcz
Attachments

**HONORABLE BOARD OF LEGISLATORS
COUNTY OF WESTCHESTER**

Your Committee is in receipt of a proposed Act transmitted by the County Attorney, which, if adopted, would authorize the County of Westchester (the “County”) to retain, at County expense, the law firm Sheppard, Mullin, Richter & Hampton LLP (“Sheppard Mullin” or the “Firm”) to provide outside counsel and legal services to the County in connection with a dispute the County is having with NGM Insurance Company (“NGM”), as the surety (the “Surety”) under Department of Public Works & Transportation (the “Department”) Contract No. 18-503.

The County Attorney has advised your Committee that on October 4, 2018, the County, acting by and through the Department, entered into Contract No. 18-503 with MVM Construction LLC (“MVM”) for Golf Course Improvements, New Maintenance Facility and Golf Cart Storage Facility Upgrades at Maple Moor Golf Course, White Plains, in the amount of \$11,598,373.00. MVM provided Performance and Payment Bond No. S308480 (the “Bond”), issued by NGM, as Surety on behalf of MVM, in favor of the County.

MVM defaulted on Contract No. 18-503 in 2022. The County terminated and entered into a Takeover Agreement with NGM dated September 21, 2022 to complete performance under the Bond. NGM has failed to complete the work, and is now claiming that there are underlying design defects which void its obligations to complete the work under the Takeover Agreement. The County seeks to compel NGM to fulfill its Bond obligation to complete the project on behalf of MVM.

Your Committee is advised that due to the complex and special nature of construction law litigation, and the evaluation and analysis of damages related to such claims, it is in the best interests of the County to retain counsel qualified to handle such litigation. Sheppard Mullin is a firm that specializes in this type of litigation. Moreover, its lead attorney, Ira M. Schulman, Esq., is a nationally-recognized construction law attorney with over 40 years of experience in the field and has successfully represented the County in the past on similar matters. The Firm will be retained to provide legal advice to the County concerning the Surety dispute, and will represent the County in prosecuting any legal actions commenced by it regarding the dispute. Additionally, the Firm will be retained to defend the County in any legal action commenced by NGM against the County, and, if necessary, prosecute on the County's behalf, any appropriate counterclaims, cross claims, and/or the impleader of third parties (the "Services").

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The Planning Department has advised that the proposed retainer agreement does not meet the definition of an action under New York State Environmental Quality Review Act and its implementing regulations 6 NYCRR Part 617. Please refer to the memorandum from the Department of Planning dated January 9, 2026, which is on file with the Clerk of the Board of Legislators.

An affirmative vote of a majority of the voting strength of the Board is required for approval of the attached Act.

Your Committee recommends approval of the attached Act.

Dated: _____, 2026

White Plains, New York

COMMITTEE ON

c:MCZ 06.01.2026

ACT NO. 2026 - _____

AN ACT authorizing the County of Westchester to retain, at County expense, the law firm Sheppard, Mullin, Richter & Hampton LLP to provide outside counsel and legal services to the County in connection with a surety dispute concerning Department of Public Works & Transportation Contract No. 18-503.

BE IT ENACTED by the County Board of the County of Westchester as follows:

Section 1. The County of Westchester (the "County") is hereby authorized to retain, at County expense, the law firm Sheppard, Mullin, Richter & Hampton LLP ("Sheppard Mullin" or the "Firm") to provide outside counsel and legal services to the County in connection with a dispute the County is having with NGM Insurance Company ("NGM"), as the surety (the "Surety") under Department of Public Works & Transportation (the "Department") Contract No. 18-503.

§2. The Firm shall be retained to provide legal advice to the County concerning the Surety dispute, and shall represent the County in prosecuting any legal actions commenced by it regarding the dispute. Additionally, the Firm shall be retained to defend the County in any legal action commenced by NGM against the County, and, if necessary, prosecute on the County's behalf, any appropriate counterclaims, cross claims, and/or the impleader of third parties (the "Services").

§3. For the Services rendered, the Firm shall be paid at the agreed upon rates as follows: \$650.00 per hour for the services of Ira M. Schulman, Esq.; \$500.00 per hour for Sophia Cahill, Esq.; \$475.00 per hour for Michelle Cooper, Esq.; \$375.00 per hour for Haley Adams, Esq.; and \$275.00 per hour for paralegal services; or personnel with comparable experience and ability as those mentioned at the same rate of pay. In no event shall the total amount payable to the Firm

under the retainer exceed Fifty Thousand (\$50,000.00) Dollars. In addition, the Firm shall be reimbursed, at cost, for reasonable and necessary out of pocket expenses and disbursements. The term of the agreement shall commence on May 14, 2026 and shall continue until the matter has been resolved.

§4. This Act shall take effect immediately.