

**THE CITY OF OKLAHOMA CITY  
OFFICE OF  
THE MUNICIPAL COUNSELOR**

Council Agenda  
Item No. XI. AJ  
5/14/2024

TO: Mayor and City Council

FROM: Kenneth Jordan, Municipal Counselor

1. Resolution authorizing the Municipal Counselor to confess Judgment without admitting liability in the case of *Big Top Entertainment, LLC, d/b/a Dollhouse Lounge, Misty Kokojan, Individually, and as Owner of Big Top Entertainment, LLC d/b/a Dollhouse Lounge, Jerry E. Johnson, Annah Ledesma, Karly Neumann, Margaret Shuart, Abigail Whisman, Lauren Farris, and Luis Vargas v. The City of Oklahoma City*, in the Oklahoma County District Court Case No. CJ-2023-656;

AND/OR

2. Enter into executive session on advice of the Municipal Counselor to receive confidential communications from its attorney regarding settlement of this case as authorized by 25 O.S. (2023 Supp.) § 307(B)(4), because disclosure would seriously impair the ability of the public body to conduct the litigation with settlement discussions in the public interest.

On February 3, 2023, Plaintiffs, represented by Jim Buxton and Scott Beyea, filed the above action alleging negligence and nuisance against the City of Oklahoma City. Plaintiffs allege, on January 22, 2022, a wastewater flood occurred at 311 East Sheridan Avenue in the basement of a Bricktown burlesque club called the Dollhouse Lounge. Plaintiffs include Big Top Entertainment LLC, the owner Misty Kokojan, and seven employees of the nightclub. The City filed a Motion for Summary Judgment on December 19, 2023, heard in front of the Honorable Sheila Stinson on January 19, 2024. The Court sustained the City's motion in part, first finding that Plaintiff Kokojan's stated damages must be separate and apart from anything claimed by the LLC. Secondly, the Court sustained the motion in full as to Plaintiff Annah Ledesma due to a lack of standing. Plaintiff Abigail Whisman was previously dismissed voluntarily by Plaintiffs' counsel. The City is represented by Katie Goff and Benjamin Rose.

Plaintiffs Jerry Johnson, Karly Neumann, Maragret Shuart, Lauren Farris, and Luis Vargas documented their alleged damages as lost wages collectively totaling over \$90,000. Plaintiffs Misty Kokojan and Big Top Entertainment, LLC documented their alleged damages collectively totaling over \$650,000, including the loss of personal property as well as the alleged closure of the business, the Dollhouse Lounge. Pursuant to the limits promulgated by the Governmental Tort Claims Act, the City's liability in this case is limited to one million dollars.

Prior to court ordered mediation, counsel for the City agreed to recommend, and counsel for Plaintiffs agreed to accept, \$80,000 as full and final settlement of all claims of Plaintiffs Jerry Johnson, Karly Neumann, Maragret Shuart, Lauren Farris, and Luis Vargas. On May 9, 2024, the City and the remaining two Plaintiffs participated in mediation wherein the two remaining Plaintiffs, Misty Kokojan and Big Top Entertainment, LLC, agreed to accept, and this office agreed to recommend, as a full and final settlement of all of their claims, \$200,000. Collectively,

counsel for the City has agreed to recommend \$280,000, and Plaintiffs' counsel has agreed to accept, a total of \$280,000, as full and final settlement of all remaining claims in this matter.

It is the recommendation of this office that the Mayor and Council authorize the Municipal Counselor to confess judgment in favor of Plaintiffs without admitting liability in this case. A Resolution authorizing the Municipal Counselor to prepare, execute, and file the necessary paperwork is attached. If Council would like more information regarding this case, it is the recommendation of the Municipal Counselor that Council retire into executive session with the Municipal Counselor to receive confidential communications with its attorney regarding this possible settlement.