

## CITY COUNCIL AGENDA MEMORANDUM

### SUBJECT

Resolution No. 8536 authorizing approval of payment of \$65,820.32 for a Release of All Claims in final settlement of a claim against the City for property damage to the Perez/Ambrocio residence caused when a water main was accidentally damaged by City Surface Water crews during installation of a new drainage structure.

### FISCAL IMPACT

This claim may be settled in full by payment of \$65,820.32 to the claimants for property damage sustained by Jose Perez and Flory Ambrocio. Sufficient funds exist within the City's General Self-Insurance Fund for this expenditure.

### STAFF CONTACT

Nav Ota, Director 452-2041  
*Utilities Department*

Joanne Nicolai, Risk Manager 452-2011  
*City Attorney's Office*

### POLICY CONSIDERATION

#### State Law:

RCW 4.96.010 authorizes persons suffering injury or damage as a result of City actions to pursue claims against the City for such injury or damage and to sue the City if such claims are denied.

#### Bellevue City Code:

BCC 4.36.030 states that Council must approve payment of damage claims that exceed \$20,000.

### BACKGROUND

On October 9, 2012 a City water main was accidentally damaged while Surface Water crews were excavating material to install a new drainage structure to improve surface water run-off in the area, causing extensive damage to the Perez/Ambrocio residence located at 15440 SE 11<sup>th</sup> Street in Bellevue. Mr. Perez and Ms. Ambrocio filed a Claim for Damages against the City on October 12, 2012, claiming \$85,000+/- in damages. The City, through the efforts of Evergreen Adjustment Services, Inc., has been processing this claim since the date of the incident. Clean-up and repair costs have been paid following receipt of partial releases from the claimants. Compensation has been made for clean-up and repair of real property, landscaping, living expenses, and damage to personal property.

Given the amount of this claim, final settlement payment must be authorized by the City Council. The Risk Manager has reviewed the claim, analyzed the demand for payment, and recommends settlement. The Utilities Department concurs with this recommendation. The City Attorney's Office has reviewed the claim, analyzed the legal liability for the claim, and concurs with the Risk Manager's

recommendation. An agreement has been signed by the claimants offering to release the City from all claims arising from this event, subject to approval by the City Council.

**EFFECTIVE DATE**

If adopted, this Resolution will be effective immediately.

**OPTIONS**

1. Adopt Resolution No. 8536 authorizing approval of payment of \$65,820.32 for a Release of All Claims in final settlement of a claim against the City for property damage to the Perez/Ambrocio residence caused when a water main was accidentally damaged by City Surface Water crews during installation of a new drainage structure.
2. Do not adopt Resolution No. 8536 and provide alternative direction to staff regarding the claim.

**RECOMMENDATION**

Adopt Resolution No. 8536 authorizing approval of payment of \$65,820.32 for a Release of All Claims in final settlement of a claim against the City for property damage to the Perez/Ambrocio residence caused when a water main was accidentally damaged by City Surface Water crews during installation of a new drainage structure.

**MOTION**

Move to adopt Resolution No. 8536 authorizing approval of payment of \$65,820.32 for a Release of All Claims in final settlement of a claim against the City for property damage to the Perez/Ambrocio residence caused when a water main was accidentally damaged by City Surface Water crews during installation of a new drainage structure.

**ATTACHMENTS**

Proposed Resolution No. 8536

CITY OF BELLEVUE, WASHINGTON

RESOLUTION NO. 8536

A RESOLUTION authorizing approval of payment of \$65,820.32 for a Release of All Claims in final settlement of a claim against the City for property damage to the Perez/Ambrocio residence caused when a water main was accidentally damaged by City Surface Water crews during installation of a new drainage structure.

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. The Council approves payment of \$65,820.32 for a Release of All Claims in final settlement of a claim filed against the City for property damage to the Perez/Ambrocio residence caused when a water main was accidentally damaged during the installation of a new drainage structure, a copy of which Release of All Claims has been given Clerk's Receiving No. \_\_\_\_\_.

Passed by the City Council this \_\_\_\_\_ day of \_\_\_\_\_, 2013, and signed in authentication of its passage this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

(SEAL)

\_\_\_\_\_  
Conrad Lee, Mayor

Attest:

\_\_\_\_\_  
Myrna L. Basich, City Clerk