

CITY COUNCIL AGENDA MEMORANDUM

SUBJECT

Resolution No. 8720 authorizing approval of payment of \$35,606.71 for a Release of All Claims in final settlement of a claim against the City for property damage to the Frederick and Elizabeth Reininger residence caused when a 6-inch water main broke in the street in front of and above their property.

FISCAL IMPACT

This claim may be settled in full by payment of \$35,606.71 to the claimants for property damage sustained by Frederick and Elizabeth Reininger. Sufficient funds exist within the City's General Self-Insurance Fund for this expenditure.

STAFF CONTACT

Nav Otal, Director 452-2041
Utilities Department

Rick Olsen, Acting Risk Manager 452-6149
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 June 21, 2013 a 6-inch City water main broke causing extensive damage to the Reininger residence located at 1509 100th Avenue SE in Bellevue. Mr. and Mrs. Reininger filed a Claim for Damages against the City on June 24, 2013 claiming \$40,000+/- 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, driveway repairs, 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. 8720 authorizing approval of payment of \$35,606.71 for a Release of All Claims in final settlement of a claim against the City for property damage to the Reininger residence caused by a break in the City's water main.
2. Do not adopt Resolution No. 8720 and provide alternative direction to staff regarding the claim.

RECOMMENDATION

Adopt Resolution No. 8720 authorizing approval of payment of \$35,606.71 for a Release of All Claims in final settlement of a claim against the City for property damage to the Reininger residence caused by a break in the City's water main.

MOTION

Move to adopt Resolution No. 8720 authorizing approval of payment of \$35,606.71 for a Release of All Claims in final settlement of a claim against the City for property damage to the Reininger residence caused by a break in the City's water main.

ATTACHMENTS

Proposed Resolution No. 8720

CITY OF BELLEVUE, WASHINGTON

RESOLUTION NO. 8720

A RESOLUTION authorizing approval of payment in the amount of \$35,606.71 for a Release of All Claims in final settlement of a claim against the City for property damage to the Frederick and Elizabeth Reininger residence caused when a 6 inch water main broke in the street in front of and above their property.

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

Section 1. The Council approves payment of \$35,606.71 for a Release of All Claims in final settlement of a claim against the City for property damage to the Frederick and Elizabeth Reininger residence caused when a 6 inch water main broke in the street in front of and above their property, a copy of which Release of All Claims has been given Clerk's Receiving No. _____.

Passed by the City Council this _____ day of _____, 2014, and signed in authentication of its passage this _____ day of _____, 2014.

(SEAL)

Claudia Balducci, Mayor

Attest:

Myrna L. Basich, City Clerk