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REQUEST FOR COUNCIL ACTION

CITY OF SAN DIEGO

1. CERTIFICATE NUMBER
(FOR AUDITOR'S USE ONLY)
AC2800563

TO: City Attorney

2. FROM (ORIGINATING DEPARTMENT): Risk Management Department

September 26, 2007

4. SUBJECT: Settlement of the Property Damage claim of Federal Insurance Co., Risk Management file No. LP07-0705-1237. **2008 JAN 15 AM 11:18**

5. PRIMARY CONTACT (NAME, PHONE & MAIL STA.)
James Coldren 236-5598 MS 51-B

6. SECONDARY CONTACT (NAME, PHONE & MAIL STA.)
Ray Palmucci 236-7725 R.H.S.D. MS 59

7. CHECK BOX IF REPORT TO COUNCIL IS ATTACHED

8. COMPLETE FOR ACCOUNTING PURPOSES

FUND	41500		
DEPT.	760		
ORGANIZATION	503		
OBJECT ACCOUNT	4824		
JOB ORDER	050301		
C.I.P. NUMBER			
AMOUNT	\$167,285.30		

9. ADDITIONAL INFORMATION / ESTIMATED COST:
00.00 Previously Paid
\$ 167,285.30 Outstanding
\$ 167,285.30 Total Settlement

10. ROUTING AND APPROVALS

ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED	ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED
1	ORIGINATING DEPARTMENT	<i>[Signature]</i>	1-11-08	8	DEPUTY CHIEF	<i>[Signature]</i>	2-12-08
2	WATER	<i>[Signature]</i>	1-14-08	9	COO		
3	AUDITOR	<i>[Signature]</i>	2/11/08	10	CITY ATTORNEY	<i>[Signature]</i>	2/14/08
4	LIAISON OFFICE	<i>[Signature]</i>		11	ORIGINATING DEPARTMENT	<i>[Signature]</i>	1-11-08
5	FINANCIAL MANAGEMENT	<i>[Signature]</i>		DOCKET COORD: <i>[Signature]</i> COUNCIL LIAISON: <i>[Signature]</i>			
6				<input checked="" type="checkbox"/> COUNCIL PRESIDENT <input type="checkbox"/> SPOB <input checked="" type="checkbox"/> CONSENT <input type="checkbox"/> ADOPTION <input type="checkbox"/> REFER TO: _____ COUNCIL DATE: 3/11/08			
7							

11. PREPARATION OF: RESOLUTION(S) ORDINANCE(S) AGREEMENT(S) DEED(S)

1. Authorizing the Mayor to pay from the Water Utility Fund the sum of \$ 167,285.30 in settlement of each and every claim against the City, its agents and employees, arising from the Property Damage claim of Federal Insurance Co. as a result of a water main break.
2. Authorizing the City Auditor and Comptroller to issue one check in the amount of \$ 167,285.30 payable to Federal Insurance and/or their attorneys.

11A. STAFF RECOMMENDATIONS:
Approve the resolution

12. SPECIAL CONDITIONS:

COUNCIL DISTRICT(S): District 2, Kevin Faulconer

COMMUNITY AREA(S): Downtown

ENVIRONMENTAL IMPACT: None

HOUSING IMPACT: This activity is not a "project" and is therefore not subject to CEQA pursuant to State CEQA Guidelines Section §15060(c)(3).

OTHER ISSUES: NONE

EXECUTIVE SUMMARY SHEET
CITY OF SAN DIEGO

DATE ISSUED: September 26, 2007 REPORT NO:
ATTENTION: Council President and City Council
ORIGINATING DEPARTMENT: Risk Management
SUBJECT: Settlement of Property Damage Claim of Federal Insurance
Co., File.No. LP06-0705-1237.
COUNCIL DISTRICT(S): District 2, Kevin Faulconer
CONTACT/PHONE NUMBER: James Coldren (619) 236-5598

REQUESTED ACTION: Authorizing the Mayor to pay the sum of \$167,285.30 in settlement of each and every claim against the City, its agents and employees, arising from the Property Damage Claim of Federal Insurance Co., as a result of flooding in the Bank of America building at 5th Avenue and A Street due to a break on a Cast Iron water main.

STAFF RECOMMENDATION: Approve the resolution.

EXECUTIVE SUMMARY: The proposed settlement would resolve all claims brought by Federal Insurance Co.

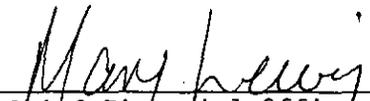
FISCAL CONSIDERATIONS: Settlement will be paid from the Water Utility fund.

PREVIOUS COUNCIL and/or COMMITTEE ACTION: In Closed Session on November 20, 2007, by motion of District 1 and second by District 7, the City Council, by the following vote: Yeas, Districts 1, 2, 3, 4, 5, 6, 7 and 8 unanimously voted to; authorize a settlement in the amount of \$167,285.30 to settle in totality all claims in Claim No. LP07-0707-1237 of Federal Insurance Company as Subrogee of One San Diego Associates, et al., against the City of San Diego.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: N/A

KEY STAKEHOLDERS AND PROJECTED IMPACTS: N/A


Risk Management


Chief Financial Officer

000323

The City of San Diego
CERTIFICATE OF CITY AUDITOR AND COMPTROLLER

CERTIFICATE OF UNALLOTTED BALANCE

ORIGINATING

AC 2800563

DEPT. NO.: 084

I HEREBY CERTIFY that the money required for the allotment of funds for the purpose set forth in the foregoing resolution is available in the Treasury, or is anticipated to come into the Treasury, and is otherwise unallotted.

Amount: _____ Fund: _____

Purpose: _____

Date: _____ By: _____

ACCOUNTING DATA											
ACCTG. LINE	CY PY	FUND	DEPT	ORG.	ACCOUNT	JOB ORDER	OPERATION ACCOUNT	BENF/	EQUIP	FACILITY	AMOUNT
TOTAL AMOUNT											

FUND OVERRIDE

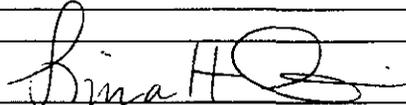
CERTIFICATION OF UNENCUMBERED BALANCE

I HEREBY CERTIFY that the indebtedness and obligation to be incurred by the contract or agreement authorized by the hereto attached resolution, can be incurred without the violation of any of the provisions of the Charter of the City of San Diego; and I do hereby further certify, in conformity with the requirements of the Charter of the City of San Diego, that sufficient moneys have been appropriated for the purpose of said contract, that sufficient moneys to meet the obligations of said contract are actually in the Treasury, or are anticipated to come into the Treasury, to the credit of the appropriation from which the same are to be drawn, and that the said money now actually in the Treasury, together with the moneys anticipated to come into the Treasury, to the credit of said appropriation, are otherwise unencumbered.

Not to Exceed: \$167,285.30

Vendor: Federal Insurance Co.

Purpose: Authorizing the expenditure of funds for settlement of the property damage claim as a result of a water main break in the Bank of America building at 5th Ave. and A street.

Date: February 11, 2008 By: L. Chim 

ACCOUNTING DATA											
ACCTG. LINE	CY PY	FUND	DEPT	ORG.	ACCOUNT	JOB ORDER	OPERATION ACCOUNT	BENF/	EQUIP	FACILITY	AMOUNT
01	0	41500	760	503	4824	050301					167,285.30
TOTAL											\$167,285.30

FUND OVERRIDE

RESOLUTION NUMBER R- _____

DATE OF FINAL PASSAGE _____

A RESOLUTION OF THE COUNCIL OF THE
CITY OF SAN DIEGO AUTHORIZING
PAYMENT FOR SETTLEMENT OF CLAIM OF
FEDERAL INSURANCE COMPANY.

WHEREAS, in Closed Session on November 20, 2007, the City Council, by the following vote: Yeas, Districts 1, 2, 3, 4, 5, 6, 7 and 8: Nays, None, authorized the payment in full and final settlement of each and every claim in Claim No. LP07-0707-1237, submitted by Federal Insurance Company, as Subrogee of One San Diego Associates, *et al*, in the amount of \$167,285.30; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, that the Mayor or his designee is hereby authorized and empowered to pay the total sum of \$167,285.30 in full and final settlement of each and every claim against the City of San Diego, its agents and employees, resulting from Claim No. LP07-0707-1237 by Federal Insurance Company, as Subrogee of One San Diego Associates, *et al*, for damages which occurred on or about January 5, 2007.

BE IT FURTHER RESOLVED, that the City Auditor and Comptroller is hereby authorized to issue one check in the amount of \$167,285.30, made payable to Federal Insurance Company, in settlement of said claims, with said funds to be payable from the Water Utility Fund.

BE IT FURTHER RESOLVED, that this activity is not a project and is therefore exempt from the California Environmental Quality Act pursuant to Guidelines Section 15060(c) (3).

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By 
Raymond C. Palmucci
Deputy City Attorney

RCP:js:cfq
02/14/2008
Or.Dept: Risk Management
Aud. Cert. AC2800563
R-2008-679

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of _____.

ELIZABETH S. MALAND
City Clerk

By _____
Deputy City Clerk

Approved: _____
(date)

JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor