



**Project title:** Approval of Litigation Against East Clearwell Roof Contractor and Subcontractors

### City Council Agenda Item Cover Sheet

**Council Bill #**

**Project:** Approval of Litigation Against East Clearwell Roof Contractor and Subcontractors

**Agenda dates requested:**

2/3/2021

**Partner/Supplier :**

**Location:** East Clearwell Roof

Briefing

Proposed action

Consent XXX 2/3/21

Action

Ordinance

Public hearing

Yes  No

**Preceding action:** None

**Fund:** None

**Budget amendment:**

Yes  No

**Fiscal summary statement:**

**PowerPoint presentation:**

Yes  No

**Project summary statement:**

The East Clearwell roof at the City's Water Filtration plant collapsed in February 2019, about two months after it was accepted by the City from the contractor, T Bailey. The City's insurer has paid for the entire cost of replacing the roof (about \$3.5 million), except for the City's \$100,000 deductible and some other adjustments totaling about \$40,000. The replacement roof will be finished this year.

**Attachments:**

None

Because the City's insurers paid the replacement cost, the insurers are entitled to bring claims against T Bailey and its subcontractors. These claims (subrogation claims) are routine in insurance matters.

**Department(s) involved:**

Public Works & Legal

Under the City Charter, the City Council must approve litigation. In the case of subrogation claims by City insurers, it is unlikely that the Charter provision applies, but staff is bringing this item forward anyway because of the Charter ambiguity.

**Contact person:**

Tim Benedict

**Phone number:**

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Finally, this lawsuit will also seek payment from the contractor for replacement costs not covered by insurance, such as the \$100,000 deductible.

**Email:**

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**Initialed by:**

Department head

**Recommendation (exact action requested of Council):**

Administration

Approve Litigation Against East Clearwell Roof Contractor and Subcontractors

Council President