



City of La Quinta

CITY / SA/ HA/ FA MEETING DATE: May 5, 2015

ITEM TITLE: DENY CLAIM FOR DAMAGES FILED BY
MJP GAL PROPERTIES, DATE OF LOSS –
SEPTEMBER 8, 2014

AGENDA CATEGORY:

BUSINESS SESSION:

CONSENT CALENDAR: 4

STUDY SESSION:

PUBLIC HEARING:

RECOMMENDED ACTION:

Deny the claim for damages of MJP GAL Properties in its entirety.

EXECUTIVE SUMMARY:

- A claim was filed by Montgomery Jackson of MJP GAL Properties with a reported date of loss of September 8, 2014.
- It was forwarded for review to Carl Warren & Company ("CW"), the City's claims administrator, and they recommended denial of the claim.

FISCAL IMPACT:

Stated damages are approximately \$152,729.41.

BACKGROUND/ANALYSIS:

The claimant alleges the City failed to correct a storm drainage problem at the intersection of Avenue 50 and Eisenhower Drive. During the September 8, 2014 storm, water backed up from the intersection, overwhelmed his homeowners association's storm drain system, and resulted in damage to his home.

CW recommends denying the claim, stating the cause of the damage was water backing up onto the property partially due to the La Quinta Resort & Club pumping the evacuation channel and by the Resort's lack of maintenance of the overflow pipes, both of which appear to have compromised the retention system.

ALTERNATIVES:

As CW is relied on to perform an accurate and thorough preliminary assessment of the claim from a liability standpoint and has recommended rejection of this claim, staff does not recommend an alternative action.

Report prepared by: Terry Deeringer, Human Resources/Risk Manager

Report approved for submission by: Frank J. Spevacek, City Manager