

M E M O R A N D U M
CITY OF CHINO
HUMAN RESOURCES DEPARTMENT

COUNCIL MEETING DATE: JUNE 18, 2019

TO: MATTHEW C. BALLANTYNE, CITY MANAGER

FROM: ANTHONY ARROYO, DIRECTOR OF HUMAN RESOURCES/RISK MANAGEMENT

SUBJECT: DENY CLAIM FILED AGAINST THE CITY - SOUTHERN CALIFORNIA EDISON.

RECOMMENDATION

Reject liability claim filed on May 23, 2019 by Southern California Edison.

FISCAL IMPACT

No fiscal impact associated with the recommended action.

Revenue:

Expenditure:

Transfer In:

Transfer Out:

BACKGROUND

On May 23, 2019, the City of Chino received a claim for damages from Southern California Edison alleging damage to Edison's underground electrical facilities due to a project that was being completed by Lucas Builders Inc., at the direction of the City. The demand is for \$3,215.10.

ISSUES/ANALYSIS

An investigation into the claim revealed that on April 3, 2018, the City of Chino entered into an agreement with Lucas Builder, Inc. for Quadrant II - Water Main Replacements at Various Locations Phase 2. The agreement indicates that, "Contractor shall be responsible for all loss and damages arising out of nature of the work aforesaid, or from the action of the elements, or from any unforeseen difficulties which may arise during the prosecution of the work until."

On June 3, 2019, Lucas Builders Inc. was sent a Tender of Defense notice and was respectfully requested to indemnify the City.

Therefore, staff recommends that this claim be rejected and proper notification be sent to claimant. Chino Municipal Code Section 3.70.070 provides that the City Council shall act on a claim in the manner provided in Government Code Section 912.4 and 912.6 within forty-five days after the claim has been presented. If the City Council fails to act on any claim filed under this chapter, the claim will be deemed denied on the forty-fifth day after the claim was presented.

Attachment: Southern California Edison Claim