



**Request for City Council Committee Action
From the City Attorney's Office**

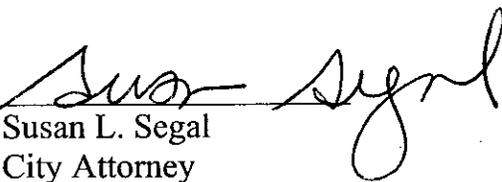
Date: July 1, 2009
To: Ways & Means/Budget Committee
Referral to:

Subject: Uptown Flats LLC and 3039 Bryant Ave South LLC v. City of Minneapolis
Claim

Recommendation: That the City Council approve the settlement of this claim by payment of \$41,479.00, payable to Uptown Flats LLC, from Fund/Org. 06900 1500100 145630 and authorize the City Attorney's Office to execute any documents necessary to effectuate settlement.

Previous Directives:

Prepared by: Gregory P. Sautter Phone: (612) 673-2683

Approved by: 
Susan L. Segal
City Attorney

Presenter in Committee: Susan L. Segal, City Attorney

Financial Impact

- No financial impact
 Action requires an appropriation increase to the _____ Capital Budget or _____ Operating Budget.
 Action provides increased revenue for appropriation increase.
 Action requires use of contingency or reserves.
 Business Plan: _____ Action is within the plan. _____ Action requires a change to plan.
 Other financial impact: Payment from Fund/Org. 06900 1500100 145630
 Request provided to department's finance contact when provided to the Committee Coordinator.

Community Impact: Other

Background/Supporting Information:

This claim arose in January 2009, after the City's sewer line at 22nd Street and Dupont Ave. South clogged. As a result of the blockage, sewage infiltrated the basement at 2202 Dupont Avenue South. The sewage contaminated the building's boiler room and damaged various items of personal property stored in the basement. The boiler is a total loss. The boiler is particularly large and will cost in excess

of \$24,000.00 to remove and replace. Sewage seeped into the bricks of the foundation causing significant cleanup expenses. Public Works, the City Attorney's Office and Claimant have worked closely together evaluating the loss. Claimant has verified sewage infiltration expenses of \$41,479.00.

The City has had some difficulty with sewers clogging due to restaurants dumping grease into their drain lines. During winter months that grease congeals with the cold and can clog sewer lines. Public Works has identified this as a problem and has committed to working with Regulatory Services to ensure that restaurants are better educated about their grease disposal practices.

The City has worked closely with Claimant to determine the cause of the backup and her expenses. After negotiation we have reached a tentative settlement of \$41,479.00 in exchange for a waiver of all claims. The proposed settlement has been discussed with Public Works and they are in agreement with settlement of this claim. We believe that settlement is in the best interest of the City and recommend approval by this Committee.

RD/GPS/ 09-04864