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City Attorney

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October 4, 2022

HONORABLE CITY COUNCIL Oakland, California

Subject: California Capital Insurance Company as subrogee of 350 Fourth Street

LLC v. City of Oakland and DOES 1 through 25, inclusive Alameda County Superior Court Case No. RG21102644

City Attorney File No. 34451

(Department of Public Works – Inverse Condemnation)

President Fortunato Bas and Members of the City Council:

Pursuant to Section 401 of the Charter, the City Attorney has prepared and requests the Council's approval of a resolution authorizing compromise and settlement of the above-entitled claim for the sum of Forty-Five Thousand Dollars and no cents (\$45,000), payable to Plaintiff California Capital Insurance Company in a manner specified by Plaintiff's counsel.

This action arises out of a sewer backup and overflow located at 350 4th Street, Oakland, CA 94607, which occurred on December 1, 2020 at approximately 12:00 p.m. Sewage backed up in the City's sewer mainline overflowed through a cleanout valve in Plaintiff's insured's basement, flooding the basement with approximately six inches to one foot of raw sewage. Plaintiff claims real property damage in the amount of \$86,715.01, along with prejudgment interest, attorney fees, and costs. The City has determined that settlement in the amount of \$45,000.00 to Plaintiff, without admitting liability and to avoid further litigation, is in the best interest of the City.

The City Council authorized settlement of this case in closed session on Thursday, September 15, 2022 (moved by Councilmember Dan Kalb and seconded by Councilmember Noel Gallo - 6 Ayes and 2 Absent – President Pro Tempore Sheng Thao and Council President Nikki Fortunato Bas).

Respectfully submitted,

BARBARA J. PARKER

City Attorney

Assigned Attorney: Montana B. Baker