

**STATEMENT OF PROCEEDINGS  
FOR THE REGULAR MEETING  
OF THE LOS ANGELES COUNTY CLAIMS BOARD  
HELD IN ROOM 648 OF THE KENNETH HAHN HALL OF ADMINISTRATION,  
500 WEST TEMPLE STREET, LOS ANGELES, CALIFORNIA 90012  
ON  
MONDAY, NOVEMBER 4, 2013, AT 9:30 AM**

Present: Chair John Naimo, Steve Robles, and Patrick Wu

1. **Call to Order.**
2. **Opportunity for members of the public to address the Claims Board on items of interest within the subject matter jurisdiction of the Claims Board.**

No members of the public addressed the Claims Board.

3. **Closed Session – Conference with Legal Counsel – Existing Litigation (Subdivision (a) of Government Code section 54956.9).**

a. **Claim of Richard Thompson**

This claim seeks compensation from the Department of Public Works for real and personal property damage from a backflow of sewage caused by a sewer blockage.

Action Taken:

The Claims Board approved settlement of this matter in the amount of \$80,118.87.

Vote: Ayes: 3 - John Naimo, Steve Robles and Patrick Wu

**[See Supporting Documents](#)**

**b. County of Los Angeles v. PDQ Personnel Services Inc., et al.  
Los Angeles Superior Court Case No. BC 485 655**

This lawsuit contends PDQ and its successor in interest is contractually obligated to indemnify the County with respect to certain workers' compensation claims.

Action Taken:

The Claims Board recommended to the Board of Supervisors the settlement of this matter wherein the County will accept payment in the amount of \$500,000.

Vote: Ayes: 3 - John Naimo, Steve Robles, and Pat Wu

[See Supporting Documents](#)

**c. Edmond Baghumian v. County of Los Angeles, et al.  
Los Angeles Superior Court Case No. BC 490 803**

This lawsuit concerns allegations of racial discrimination and failure to prevent harassment by an employee of the Department of Parks and Recreation.

Action Taken:

The Claims Board approved settlement of this matter in the amount of \$40,000.

Vote: Ayes: 3 - John Naimo, Steve Robles and Patrick Wu

**4. Report of actions taken in Closed Session.**

The Claims Board reconvened in open session and reported the actions taken in closed session as indicated under Agenda Item No. 3 above.

**5. Approval of the minutes of the October 21, 2013, meeting of the Claims Board.**

Action Taken:

The Claims Board approved the minutes.

Vote: Ayes: 3 - John Naimo, Steve Robles, and Patrick Wu

[See Supporting Document](#)

- 6. Items not on the posted agenda, to be referred to staff or placed on the agenda for action at a further meeting of the Board, or matters requiring immediate action because of emergency situation or where the need to take immediate action came to the attention of the Board subsequent to the posting of the agenda.**

No such matters were discussed.

- 7. Adjournment.**

## CASE SUMMARY

### INFORMATION ON PROPOSED SETTLEMENT OF LITIGATION

CASE NAME		Non-Litigated Claim of Richard Thompson
CASE NUMBER		n/a
COURT		n/a
DATE FILED		Claim filed 12/21/2012
COUNTY DEPARTMENT		Department of Public Works
PROPOSED SETTLEMENT AMOUNT	\$	80,118.87
ATTORNEY FOR PLAINTIFF		None
COUNTY COUNSEL ATTORNEY		Jenny P. Tam Senior Associate County Counsel
NATURE OF CASE		This non-litigated claim arises from a blocked County main sewer line that caused a sewage backflow into claimant's home damaging the structure and personal property. Due to the risks and uncertainties of litigation, a full settlement of the claim is warranted.
PAID ATTORNEY FEES, TO DATE	\$	0
PAID COSTS, TO DATE	\$	0

Case Name: Richard Thompson Claim



## Summary Corrective Action Plan

The intent of this form is to assist departments in writing a corrective action plan summary for attachment to the settlement documents developed for the Board of Supervisors and/or the County of Los Angeles Claims Board. The summary should be a specific overview of the claims/lawsuits' identified root causes and corrective actions (status, time frame, and responsible party). This summary does not replace the Corrective Action Plan form. If there is a question related to confidentiality, please consult County Counsel.

Date of incident/event:	December 11, 2012
Briefly provide a description of the incident/event:	<p>On December 11, 2012, the main sewer line experienced a sewage backup and damaged every room on the first floor, requiring removal of all flooring, cabinets, baseboards, drywall, and doors at 3544 Mesquite Drive in the City of Calabasas. Our Sewer Maintenance Division (SMD) crew responded to a service request at the subject location and observed signs of a sewage overflow at the property.</p> <p>The SMD crew broke down a heavy root stoppage by rodding the main sewer line between Manhole Nos. 415 and 416.</p>

1. Briefly describe the root cause(s) of the claim/lawsuit:

Based on our findings, this sewage overflow was caused by tree roots in the main sewer line between Manhole Nos. 415 and 416.

2. Briefly describe recommended corrective actions:  
(Include each corrective action, due date, responsible party, and any disciplinary actions if appropriate)

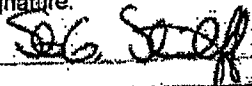
To prevent the recurrence of another sewer stoppage and sewage overflow at this location, the sewer mainline was placed on a 60-day rodder periodic and will remain on this schedule until it is no longer necessary as determined by maintenance personnel.

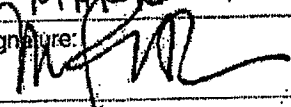
3. Are the corrective actions addressing Departmentwide system issues?

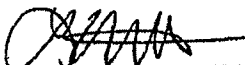
Yes - The corrective actions address Departmentwide system issues.

No - The corrective actions are only applicable to the affected parties.

County of Los Angeles  
Summary Corrective Action Plan

Name: (Risk Management Coordinator)	
Steven G. Steinhoff	
Signature:	Date:
	7-23-2013

Name: (Department Head)	
MARK Pestrella	
Signature:	Date:
	8/20/13

<b>Chief Executive Office Risk Management Inspector General USE ONLY</b>	
Are the corrective actions applicable to other departments within the County?	
<input type="checkbox"/> Yes, the corrective actions potentially have Countywide applicability	
<input checked="" type="checkbox"/> No, the corrective actions are applicable only to this department	
Name: (Risk Management Inspector General)	
LEO COSTANTINO	
Signature:	Date:
	9-6-13

ARM:psr  
P4:THOMPSON SCAP1

ARM  
7-24-13

## CASE SUMMARY

### INFORMATION ON PROPOSED SETTLEMENT OF LITIGATION

CASE NAME	County of Los Angeles vs. PDQ Personnel Services, Inc., et al.
CASE NUMBER	BC485655
COURT	Los Angeles Superior Court
DATE FILED	May 30, 2012
COUNTY DEPARTMENT	Chief Executive Office
PROPOSED SETTLEMENT AMOUNT	\$ 500,000 (payable to the County)
ATTORNEY FOR PLAINTIFF	Marc Wodin
COUNTY COUNSEL ATTORNEY	Ralph Rosato
NATURE OF CASE	<p>County contends PDQ and its successor in interest is contractually obligated to indemnify it from CIGA workers' compensation claims.</p> <p>Due to the risk and uncertainties of litigation, a reasonable settlement at this time will avoid further litigation. Therefore, a full and final settlement of the case in the amount of \$500,000 is recommended.</p>
PAID ATTORNEY FEES, TO DATE	\$ N/A
PAID COSTS, TO DATE	\$ \$25,000



## Summary Corrective Action Plan

The intent of this form is to assist departments in writing a corrective action plan summary for attachment to the settlement documents developed for the Board of Supervisors and/or the County of Los Angeles Claims Board. The summary should be a specific overview of the claims/lawsuits' identified root causes and corrective actions (status, time frame, and responsible party). This summary does not replace the Corrective Action Plan form. If there is a question related to confidentiality, please consult County Counsel.

Date of incident/event:	2004 PDQ's workers' compensation carrier goes bankrupt. PDQ goes bankrupt.
Briefly provide a description of the incident/event:	Defendant PDQ'S workers' compensation insurance carrier goes bankrupt. Later PDQ goes bankrupt.

1. Briefly describe the root cause(s) of the claim/lawsuit:

Unanticipated and uncontrollable bankruptcies of vendor's workers' compensation carrier and vendor.

2. Briefly describe recommended corrective actions:  
(Include each corrective action, due date, responsible party, and any disciplinary actions if appropriate)

Not applicable.



3. Are the corrective actions addressing department-wide system issues?
- Yes – The corrective actions address department-wide system issues.
  - No – The corrective actions are only applicable to the affected parties.

Name: (Risk Management Coordinator)	
Signature:	Date:

Name: (Department Head) <i>Steven T. Robles</i>	
Signature: <i>[Handwritten Signature]</i>	Date: <i>10/24/13</i>

<b>Chief Executive Office Risk Management Inspector General USE ONLY</b>	
Are the corrective actions applicable to other departments within the County?	
<input type="checkbox"/> Yes, the corrective actions potentially have County-wide applicability.	
<input type="checkbox"/> No, the corrective actions are applicable only to this department.	
Name: (Risk Management Inspector General)	
Signature:	Date:

Case Name: County of Los Angeles v. PDQ Personnel Services, Inc, et al.



## Corrective Action Plan

### 1. General Information

Department:	CEO
Date CAP document prepared:	
Name of departmental contact person:	Steve Robles
• Title:	Assistant Chief Executive Officer – Risk Manager
• Phone number:	213-351-5346
• E-mail Address:	

### 2. Incident/Event Specific Information

Date of incident/event:	2004 Bankruptcy of Vendor's Workers' Compensation Carrier
Location of incident/event:	N/A, contract issue
Event contact person:	N/A, contract issue
• Phone Number:	N/A, contract issue
• E-mail Address:	N/A, contract issue
Claim adjuster: (Third Party Administrator or County Counsel)	N/A, contract issue
• Phone number:	N/A, contract issue
<b>If claim is in litigation, please complete the following:</b>	
County Counsel Attorney:	Ralph Rosato
• Phone number:	213-974-6845

**3. Incident/Event Description:**

Nature of incident/event:	Legal and contractual obligations not met by a contractor or their Workers' Compensation Insurance carrier.
Provide a brief description of the incident/event:	PDQ and County had contracts for temporary personnel services. PDQ was required to maintain workers' compensation insurance and indemnify the County against workers' compensation claims arising from the contracts. PDQ's workers' compensation insurance carrier becomes insolvent; the California Insurance Guarantee Association ("CIGA") steps in to administer the claims; and CIGA claims the County is responsible for workers' compensation benefits to PDQ's employees. Later, PDQ files for bankruptcy. County asserts PDQ's successor is responsible for liability under PDQ's contracts.

- Included a copy of the supervisor's first report of incident (or related accident, event or incident investigation documentation). N/A

**4. Corrective Action Plan Problem Statement**

Provide a written narrative of the incident/event problem statement:

N/A. Unanticipated and uncontrollable bankruptcies of vendor's workers' compensation carrier and vendor.

**5. Root Cause Analysis**

Root Cause Analysis tool used:	N/A
Root Cause Analysis source material(s) used:	N/A

- Included a copy of the Root Cause Analysis tool utilized (or related Root Cause analysis documentation).

**6. Corrective Action Plan Steps**

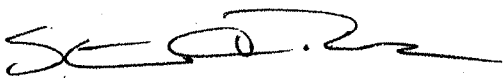
For each Corrective Action Plan step, please reference, by letter, the Root Cause(s) this Corrective Action Plan step is addressing.

Associated Root Cause reference letter(s):	N/A
Task number:	
Task name:	
Scheduled start date:	
Scheduled completion date:	
Responsible person:	

Task description:	
-------------------	--

**7. Review and Authorization**

The department has reviewed the incident/event investigation, root cause analysis documentation, Corrective Action Plan, and has taken all appropriate corrective actions required.

Review and authorization steps	Signature	Date
Document reviewed by Department Risk Management Coordinator:		
Document reviewed by Department head or designee.		10/24/13

# COUNTY OF LOS ANGELES CLAIMS BOARD

## MINUTES OF REGULAR MEETING

October 21, 2013

### 1. Call to Order.

This meeting of the County of Los Angeles Claims Board was called to order at 9:30 a.m. The meeting was held in the Executive Conference Room, 648 Kenneth Hahn Hall of Administration, Los Angeles, California.

Claims Board Members present at the meeting were: John Naimo, Steve Robles, and Patrick Wu.

Other persons in attendance at the meeting were: Office of the County Counsel: Jennifer Lehman, Stephen Morris and Joyce Aiello; Sheriff's Department: Sergeant Bruce Cantley; Fire Department: Michael Kranther and Anthony Marrone and Outside Counsel: Peter Bollinger.

### 2. Opportunity for members of the public to address the Claims Board on items of interest within the subject matter jurisdiction of the Claims Board.

No members of the public addressed the Claims Board.

### 3. Closed Session – Conference with Legal Counsel – Existing Litigation (Subdivision (a) of Government Code Section 54956.9).

At 9:32 a.m., the Chairperson adjourned the meeting into Closed Session to discuss the items listed as 4(a) through 4(b) below.

### 4. Report of actions taken in Closed Session.

At 10:15 a.m., the Claims Board reconvened in open session and reported the actions taken in Closed Session as follows:

#### a. Cesar Jacobo v. County of Los Angeles, et al. Los Angeles Superior Court Case No. BC 457 539

This lawsuit alleges civil rights violations and State law causes of action arising out of arrests and detentions by Sheriff Deputies.

#### Action Taken:

The Claims Board recommended to the Board of Supervisors the settlement of this matter in the amount of \$130,000.

Vote: Ayes: 2 - Steve Robles and Patrick Wu  
Abstentions: 1 - John Naimo

**b. Thomas Encinas v. County of Los Angeles, et al.  
Los Angeles Superior Court Case No. BC 377 343**

This lawsuit alleges retaliation against a Fire Department employee.

Action Taken:

The Claims Board recommended to the Board of Supervisors the settlement of this matter in the amount of \$260,400.

Vote: Ayes: 3 - John Naimo, Steve Robles, and Patrick Wu

**5. Approval of the minutes of the October 2, 2013, meeting of the Claims Board.**

Action Taken:

The Claims Board approved the minutes.

Vote: Ayes: 3 - John Naimo, Steve Robles, and Patrick Wu

**6. Items not on the posted agenda, to be referred to staff or placed on the agenda for action at a further meeting of the Board, or matters requiring immediate action because of emergency situation or where the need to take immediate action came to the attention of the Board subsequent to the posting of the agenda.**

No such matters were discussed.

**7. Adjournment.**

The meeting was adjourned at 10:21 a.m.

COUNTY OF LOS ANGELES CLAIMS BOARD

By



Carol J. Slosson