

Bond Case Briefs

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Raspberry Junction Holding, LLC v. Southeastern Connecticut Water Authority

Supreme Court of Connecticut - August 18, 2021 - A.3d - 2021 WL 3671081

Operator of hotel brought negligence action against municipal water authority seeking to recover loss of revenue in connection with water supply outage which lasted several days.

The Superior Court granted defendant's summary judgment motion. Plaintiff appealed. The Supreme Court reversed and remanded. On remand, the Superior Court again granted defendant's summary judgment motion. Plaintiff appealed.

Upon transfer from the Appellate Court, the Supreme Court held that:

- It was reasonably foreseeable that water service outage at hotel lasting several days would cause economic losses;
- Normal expectations of parties militated against finding a legal duty;
- Imposition of a duty of care would have encouraged future plaintiffs to initiate actions of their own in the event of a prolonged interruption in water service without a corresponding increase in public safety;
- Vast majority of jurisdictions barred recovery of economic losses in a negligence action;
- Exception to general rule that law of negligence does not cover purely economic losses did not apply.