

PUBLIC WORKS AND UTILITIES COMMITTEE

08-0519R

RESOLUTION APPROVING SETTLEMENT OF CLAIM OF DONALD AND GERDA MOOK IN THE AMOUNT OF \$21,514.71.

CITY PROPOSAL:

RESOLVED, that the proper city officials are authorized to pay to Donald and Gerda Mook the sum of \$21,514.71 in full and final settlement of the claim which arose out of a break in a city watermain occurring near 4850 Glendale Street on February 26, 2008; payment to be made from the Self Insurance Fund 610-036-1652-5841.

Approved:

Approved for presentation to council:

Department Director

Chief Administrative Officer

Approved as to form:

Approved:

Attorney

Auditor

ATTY MAL:blj 8/8/2008

STATEMENT OF PURPOSE: On February 26, 2008, a city watermain ruptured causing water to penetrate and damage the basement of property located at 4850 Glendale Street and owned by Donald and Gerda Mook.

The city's liability is based upon the legal principle that it is under a duty to maintain its watermains in a reasonably safe condition. The city of Duluth has investigated this claim and verified the damages and expenses. The civil division of the city attorney's office analyzed the city's loss exposure. Settlement negotiations were conducted and an agreement has been reached in the amount of \$21,514.71. The city attorney's office recommends this settlement.