

PUBLIC WORKS AND UTILITIES COMMITTEE

09-0691R

RESOLUTION APPROVING SETTLEMENT OF CLAIM OF THOMAS J. POTTER IN THE AMOUNT OF \$13,167.10.

CITY PROPOSAL:

RESOLVED, that the proper city officials are authorized to pay to Thomas J. Potter the sum of \$13,167.10 in full and final settlement of the claim which arose out of a failure of a city sanitary sewer system occurring near 4723 West Sixth Street on August 19, 2009; payment to be made from the Self Insurance Fund 610-036-1653-5841.

Approved:

Approved for presentation to council:

Department Director

Chief Administrative Officer

Approved as to form:

Approved:

Attorney

Auditor

PW&U/ATTY MAL:blj 11/3/2009

STATEMENT OF PURPOSE: On August 19, 2009, a city sanitary system failed causing sewage to penetrate and damage the basement of property located at 4723 West Sixth Street and owned by Thomas J. Potter.

The city's liability is based upon the legal principle that it is under a duty to maintain its sanitary sewer system 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 \$13,167.10. The city attorney's office recommends this settlement.