

PUBLIC WORKS AND UTILITIES COMMITTEE

10-0339R

RESOLUTION APPROVING SETTLEMENT OF CLAIM OF AMERICAN FAMILY INSURANCE AS SUBROGEE FOR DENNIS BARD IN THE AMOUNT OF \$25,596.37.

CITY PROPOSAL:

RESOLVED, that the proper city officials are authorized to pay to American Family Insurance, subrogee for Dennis Bard the sum of \$25,596.37 in full and final settlement of the claim which arose out of a break in a city watermain occurring near 1720 West Page Street on December 20, 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

PW&U/ATTY GBJ:dma 6/15/2010

STATEMENT OF PURPOSE: On December 20, 2008, a city watermain ruptured causing water to penetrate and damage the property located at 1720 West Page Street and owned by Dennis Bard.

The city's liability is based upon the legal principle that it is under a duty to maintain its water main 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 \$25,596.37. The city attorney's office recommends this settlement.