

PUBLIC SAFETY COMMITTEE

12-0086R

RESOLUTION APPROVING SETTLEMENT OF CLAIM OF USAA
INSURANCE COMPANY (AS SUBROGEE: STEVEN WAYNE CRANDELL)
IN THE AMOUNT OF \$17,086.30.

CITY PROPOSAL:

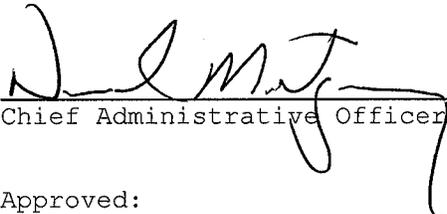
RESOLVED, that the proper city officials are authorized to pay to USAA Insurance Company (as subrogee: Steven Wayne Crandell) the sum of \$17,086.30 in full and final settlement of the claim which arose out of a vehicle accident occurring near Minnesota State Highway 23 and Becks Road, July 23, 2011; payment to be made from Fund No. 0610-036-1651-5841 (Self Insurance-Liabilities, Insurance Accounts, Insurance - General City).

Approved:



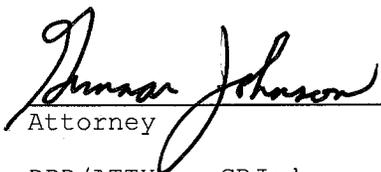
Department Director

Approved for presentation to council:



Chief Administrative Officer

Approved as to form:



Attorney

Approved:



Auditor

DPD/ATTY GBJ:dma 02/09/2012

STATEMENT OF PURPOSE: On July 23, 2011, an accident occurred at or near the intersection of Minnesota State Highway 23 and Becks Road in the City of Duluth between Lauren Marie Nash, driving a vehicle owned by Steven Wayne Crandell, and David Hnatek, an employee of the City of Duluth. Hnatek was pulling off the shoulder and performing a U-turn in order to travel northbound on Minnesota State Highway 23. Nash was traveling southbound on Minnesota Highway 23 and struck the vehicle.

The City's liability is based upon the legal principle that an employee is liable for the negligence of its employees. Here, sufficient evidence exists to conclude that the City's employee was negligent, that his negligence was a direct cause of the damage sustained by the Crandell vehicle, and that the employee's negligence was greater than any negligence which a jury may attribute to Lauren Nash.

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 \$17,086.30. The City Attorney's office recommends this settlement.