



Legislation Text

File #: 18-0565R, **Version:** 1

RESOLUTION APPROVING SETTLEMENT OF CLAIM OF MARSHALL HARDWARE PROPERTIES, LLC IN THE AMOUNT OF \$17,361.18.

CITY PROPOSAL:

RESOLVED, that the proper city officials are authorized to pay Marshall Hardware Properties, LLC the sum of \$17,361.18 in full and final settlement of the claim which arose as a result of a city crews damaging the private lateral when repairing water main equipment which caused a sewer backup into the property at 4425 East Superior Street on June 4, 2018; payment to be made from fund no. 610-036-1652-5841 (self-insurance - liabilities, insurance accounts, insurance - water & gas).

STATEMENT OF PURPOSE: On June 4, 2018, a sewer backup event happened at Marshall Hardware Properties facility located at 4425 East Superior Street causing damage to the private sanitary sewer lateral and the basement area as a result of the sewer backup. Marshall Hardware Properties, LLC. paid to have the sewer backup damage repaired and made a claim to the city for its costs.

The city's liability is based upon the legal principle that the city crews damaged the private sanitary sewer lateral when they backfilled the excavation to repair the water system equipment. The city of Duluth has investigated this claim and verified the damage and expenses. Settlement negotiations were conducted and the city attorney's office recommends this settlement.