



TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Lee R. Feldman, ICMA-CM, City Manager

DATE: January 22, 2014

TITLE: MOTION - Authorizing Acceptance of Subrogation Settlement Offer on
City Property Damage Claim VA CPD 12-686 (Randy Schleger) for
\$69,986.60

Recommendation

Staff recommends acceptance of this subrogation settlement in the amount of \$69,986.60.

Background

This is a City Property Damage (CPD) claim involving damage to a Fire-Rescue Department ambulance. The accident occurred on June 18, 2012. At that time, the City rescue vehicle was traveling in Code 3 (lights and sirens) when it was struck by the other vehicle, owned by Randy Schleger, who had passed a stopped truck and then slammed into the right side of the City rescue vehicle.

The City rescue vehicle was deemed to be a total loss based upon the repair costs involved, which exceeded the depreciated value for the vehicle. Risk Management filed a subrogation claim against the vehicle owner's insurance company and provided the figure for our claim of \$75,500, based upon the replacement cost of the vehicle less its depreciated value.

The insurance carrier, Nationwide, reviewed the claim and accepted liability for the accident under their insured's \$100,000 property damage policy. However, they evaluated the damages and the value of the City rescue vehicle at \$64,473.50, as their approach to actual cash value (ACV) evaluation differed from the City's approach.

In negotiating with the insurance carrier, Risk Management was successful in compromising the claim for a payment to the City of \$69,986.60. Nationwide has agreed to this figure and has provided a release in the above stated amount for signature, subject to approval of the City Commission.

Resource Impact

There is a positive financial impact to the City.

ACCOUNT NUMBER	INDEX NAME (Program)	OBJECT CODE/ SUB-OBJECT NAME	RECOVERY AMOUNT
543-INS010101-N401	Self-Insurance Claims	Collision Repair Reimbursement	\$69,986.60
RECOVERY TOTAL ►			\$69,986.60

Strategic Connections

This item is a *Press Play Fort Lauderdale Strategic Plan 2018* initiative, included within the **Internal Support Cylinder of Excellence**, specifically advancing:

- **Goal 12:** Be a leading government organization, managing our resources wisely and sustainably.
- **Objective 1:** Ensure sound fiscal management.

This item advances the *Fast Forward Fort Lauderdale 2035 Vision Plan: We Are United*.

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