



**CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING**

#23-1069

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

FROM: Greg Chavarria, City Manager

DATE: November 21, 2023

TITLE: Motion Authorizing Settlement of General Liability Claims of JN and Sons Realty LLC and Fahdworld Inc - \$300,000 - **(Commission Districts 1, 2, 3 and 4)**

Recommendation

Staff recommends the City Commission approve the settlement of the general liability claims of JN and Sons Realty LLC and Fahdworld Inc by paying the amount of \$200,000 to JN and Sons Realty LLC and the amount of \$100,000 to Fahdworld Inc.

Background

JN and Sons Realty LLC, the property owner of 930 West Sunrise Blvd., and Fahdworld Inc, also known as Cloud Up, a shop at the location, filed general liability claims against the City resulting from an incident on May 12, 2023. Public Works staff were excavating around a broken fire hydrant near 930 West Sunrise Blvd. when the water line broke. The building foundation and the shop's inventory were water damaged, affecting the shop's business operations.

JN and Sons Realty LLC's damages totaled \$205,980 for repairs to the building and 76 days of lost rent. Fahdworld Inc's damages totaled \$152,378 for lost inventory and 76 days of lost business revenue. The combined damages totaled \$358,358 from this claim, which exceeds the statutory maximum of \$300,000 per incident.

Staff's evaluation of the potential financial exposure to the City determined that a settlement would provide the most cost-effective outcome. Through negotiations, a settlement was reached by paying the amount of \$200,000 to JN and Sons Realty LLC and the amount of \$100,000 to Fahdworld Inc, subject to the approval of the City Commission.

Resource Impact

There will be a fiscal impact to the City in the amount of \$300,000.

<i>Funds available as of October 20, 2023</i>			
ACCOUNT NUMBER	COST CENTER NAME (Program)	CHARACTER/ ACCOUNT NAME	AMOUNT
10-543-9050-519-50- 5113	Self-Insurance Claims	Non-Operating Expenses /General Liability Claims	\$300,000
TOTAL AMOUNT ►			\$300,000

Strategic Connections

This item supports the *Press Play Fort Lauderdale 2024* Strategic Plan, specifically advancing:

- The Internal Support Focus Area
- Goal 8: Build a leading government organization that manages all resources wisely and sustainably.
- Objective: Maintain financial integrity through sound budgeting practices, prudent fiscal management, cost effective operations, and long-term planning.

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

This item supports the *Advance Fort Lauderdale 2040* Comprehensive Plan, specifically advancing:

- The Internal Support Focus Area
- Implementation Element
- Goal 1: The Fort Lauderdale Comprehensive Plan shall accomplish the City’s *Fast Forward Fort Lauderdale 2035* Vision Plan regarding the City’s future growth and the six Cylinders of Excellence and shall be the City’s primary policy document to guide all of its activities and development.

Prepared by: Matthew Cobb, Assistant Risk Manager, Human Resources

Department Director: Jerome Post, Human Resources