



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

#21-1152

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

FROM: Chris Lagerbloom, ICMA-CM, City Manager

DATE: December 21, 2021

TITLE: Motion Authorizing Settlement of General Liability Claim in the Matter of
Swiss Re as Subrogee of Northbridge Investment Management, Inc. -
\$200,000 - **(Commission Districts 1, 2, 3 and 4)**

Recommendation

Staff recommends the City Commission approve the settlement of the general liability claim in the matter of Swiss Re as subrogee of Northbridge Investment Management, Inc. in the amount of \$200,000.

Background

Swiss Re as subrogee of Northbridge Investment Management, Inc. filed a general liability claim against the City resulting from an incident on October 29, 2020. The Planet Fitness building, located at 2670 West Broward Boulevard, suffered structural damage due to a broken City 4-inch water main under the building that was believed to be abandoned and disconnected. The broken pipe under the building lifted the foundation and walls, buckled the ceiling, and water flooded much of the interior space.

Swiss Re, insurance carrier of the building's owner, Northbridge Investment Management, Inc., is seeking damages of \$395,281.63, which includes \$197,584.90 for building repairs and \$197,696.73 for loss of business income from rent. Staff retained Mitchell Claims Service, Inc. to verify the building repair costs and after evaluation of the potential financial exposure to the City it was determined that a settlement would provide the most cost-effective outcome.

Staff recommends settlement in the limitation of liability amount of \$200,000, as set forth by Section 768.28, Florida Statutes, subject to the approval of the City Commission.

Resource Impact

There will be a fiscal impact to the City in the amount of \$200,000.

<i>Funds available as of November 19, 2021</i>			
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMOUNT
543-INS010101-5113	Self-Insurance Claims	Non-Operating Expenses /General Liability Claims	\$200,000
TOTAL AMOUNT ►			\$200,000

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.

Attachments

Exhibit 1 – Claim Damages

Exhibit 2 – Damages Evaluation

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

Department Director: Tarlesha W. Smith, Esq., Human Resources