

Request for Committee Action

To: Ways & Means
Date: 10/5/2015
From: City Attorney's Office
Prepared by: Assistant City Attorney Sara J. Lathrop
Presented by: City Attorney Susan Segal
File type: Action
Subcategory: Settlement

Subject:

Legal settlement of claims of Lorenz Bus Service, Inc. and Gotham Insurance Company

Description:

Approving the settlement of the claims of Lorenz Bus Service, Inc. and Gotham Insurance Co. by payment of \$115,000.00 to Lorenz Bus Service Inc. and payment of \$122,254.48 to Gotham Insurance Company A/S/O Lorenz Bus Service Inc. and further authorizing the City Attorney's Office to execute any documents necessary to effectuate settlement.

Previous Actions:

None

Ward/Neighborhood/Address:

Ward 2
Prospect Park-East River Road
I-94 Eastbound at Huron Ave. Exit

Background/Analysis:

On November 2, 2014, off-duty MPD officers driving marked squads were escorting a professional football team. Two of the team buses collided, and the bus company and its insurer have asserted claims against the City, as the insurer of the squad cars, for damages including the repairs to the buses and an alleged loss of business while the buses were out of service. The City Attorney's Office has negotiated a full release of all claims from the bus company and the insurer in exchange for \$237,254.48 (\$115,000.00 to Lorenz Bus Service Inc., and \$122,254.48 to Gotham Insurance Company). MPD administration and the City Attorney's Office believe that the proposed settlement is in the best interests of the City and recommend approval by this Committee and the City Council.

Financial Review:

No additional appropriation required, amount included in current budget.