

COUNCIL OF THE COUNTY OF MAUI
COMMITTEE OF THE WHOLE

March 18, 2016

**Committee
Report No.** _____

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Committee of the Whole, having met on March 4, 2016, makes reference to County Communication 15-6, from Councilmember Mike White, relating to litigation matters.

By correspondence dated February 1, 2016, the Department of the Corporation Counsel requested consideration of the possible settlement of Claim 30154560286-0001 of First Insurance Company of Hawaii, Ltd., on behalf of its insured, Zita Mendoza Morales. Attached to the request is a proposed resolution, entitled "AUTHORIZING SETTLEMENT OF CLAIM NO. 30154560286-0001 OF FIRST INSURANCE COMPANY OF HAWAII, LTD., ON BEHALF OF ITS INSURED, ZITA MENDOZA MORALES," and a copy of the claim.

The purpose of the proposed resolution is to authorize the Department to settle the claim of Ms. Morales' insurer, First Insurance Company of Hawaii, Ltd., on behalf of its insured, for \$21,250.05. The claim alleges damages to Ms. Morales' vehicle resulting from a collision with a Department of Police vehicle on Kaahumanu Avenue, Kahului, Maui, Hawaii, on August 8, 2015.

Your Committee notes Section 3.16.020(B), Maui County Code, requires Council authorization for any settlement in excess of \$7,500.

A Deputy Corporation Counsel provided a brief overview of the case. She said a police officer ran a red light and struck Ms. Morales' vehicle, causing damages. She also said the County is acknowledging responsibility for the accident. The recommended settlement amount represents the total paid by the insurer and the deductible paid by Ms. Morales.

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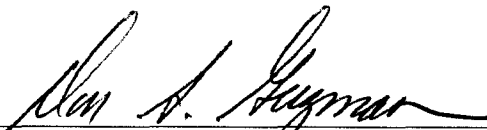
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Based on the information received and the recommendation of the Department, your Committee voted 8-0 to recommend adoption of the proposed resolution. Committee Chair Guzman, Vice-Chair Crivello, and members Baisa, Carroll, Cochran, Couch, Hokama, and Victorino voted "aye." Committee member White was excused.

Your Committee of the Whole RECOMMENDS that Resolution _____, attached hereto, entitled "AUTHORIZING SETTLEMENT OF CLAIM NO. 30154560286-0001 OF FIRST INSURANCE COMPANY OF HAWAII, LTD., ON BEHALF OF ITS INSURED, ZITA MENDOZA MORALES," be ADOPTED.

This report is submitted in accordance with Rule 8 of the Rules of the Council.



DON S. GUZMAN, Chair

cow:cr:16001(34)aa:cmn

Resolution

No. _____

AUTHORIZING SETTLEMENT OF CLAIM NO. 30154560286-0001
OF FIRST INSURANCE COMPANY OF HAWAII, LTD.,
ON BEHALF OF ITS INSURED, ZITA MENDOZA MORALES

WHEREAS, First Insurance Company of Hawaii, Ltd., filed Claim No. 30154560286-0001 on August 31, 2015, against the County of Maui for damages to Zita Mendoza Morales' vehicle resulting from a collision involving a Maui Police Department fleet vehicle on August 8, 2015; and

WHEREAS, Zita Mendoza Morales is insured for such damage by First Insurance Company of Hawaii, Ltd.; and

WHEREAS, First Insurance Company of Hawaii, Ltd., as subrogee of this claim, has alleged that the County of Maui is liable for the expenses paid by First Insurance Company of Hawaii, Ltd.; and

WHEREAS, the County of Maui and First Insurance Company of Hawaii, Ltd., to avoid incurring expenses and the uncertainty of a judicial determination of the parties' respective rights and liabilities, have reached a proposed resolution of this claim by way of a negotiated settlement; and

WHEREAS, having reviewed the facts and circumstances regarding this matter and being advised of attempts to reach resolution of this claim by way of a negotiated settlement by the Department of the Corporation Counsel, the Council wishes to authorize settlement; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

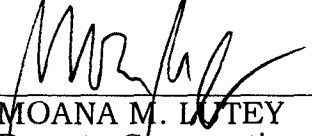
Resolution No. _____

1. That it hereby approves settlement of Claim No. 30154560286-0001 in the amount of \$21,250.05; and

2. That payment is authorized to satisfy settlement of this claim following the execution of the "Release of Claim" by First Insurance Company of Hawaii, Ltd.; and

3. That certified copies of this Resolution be transmitted to the Mayor, the Director of Finance, the Chief of Police, and the Corporation Counsel.

APPROVED AS TO FORM
AND LEGALITY:



MOANA M. LUTEY
Deputy Corporation Counsel
County of Maui

RISK - 2015-0381