

COUNCIL OF THE COUNTY OF MAUI
GOVERNANCE, ETHICS, AND
TRANSPARENCY COMMITTEE

July 5, 2019

Committee
Report No. _____

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

Chair and Members:

Your Governance, Ethics, and Transparency Committee, having met on June 21, 2019, makes reference to County Communication 19-29, from Council Chair Kelly T. King, relating to litigation matters.

By correspondence dated February 12, 2019, the Department of the Corporation Counsel requested consideration of the possible settlement of Claim 30180603955-0001 by State Farm Mutual Automobile Insurance Company, on behalf of its insured, Reginald Balido. Attached to the request is a proposed resolution entitled "AUTHORIZING SETTLEMENT OF CLAIM NO. 30180603955-0001 OF STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY AS SUBROGEE OF REGINALD BALIDOY." The purpose of the proposed resolution is to authorize the Department to settle the case for \$9,779.40.

The Department also transmitted a copy of the claim and documentation relating to damages associated with the claim.

Your Committee notes the claim alleges damages to Reginald Balido's vehicle resulting from sulfuric acid being discharged from an exhaust fan at the Kihei Wastewater Reclamation Facility's laboratory building on March 27, 2018.

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

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A Deputy Corporation Counsel provided a brief overview of the case.

The Operations Program Superintendent, Wastewater Reclamation Division, Department of Environmental Management answered factual and technical questions from your Committee.

Your Committee voted 8-0 to recommend adoption of the proposed resolution. Committee Chair Molina, Vice-Chair Rawlins-Fernandez, and members Kama, King, Lee, Paltin, Sinenci, and Sugimura voted "aye." Committee member Hokama was excused.

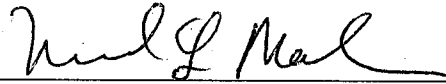
Your Governance, Ethics, and Transparency Committee RECOMMENDS that Resolution _____, attached hereto, entitled "AUTHORIZING SETTLEMENT OF CLAIM NO. 30180603955-0001 OF STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY AS SUBROGEE OF REGINALD BALIDOY," be ADOPTED.

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



MICHAEL J. MOLINA, Chair

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Resolution

No. _____

AUTHORIZING SETTLEMENT OF CLAIM NO. 30180603955-0001
OF STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY AS
SUBROGEE OF REGINALD BALIDOY

WHEREAS, State Farm Mutual Automobile Insurance Company, as Subrogee of Reginald Balidoy, filed Claim No. 30180603955-0001 on July 12, 2018, against the County of Maui for damages to Mr. Balidoy's vehicle resulting from sulfuric acid being discharged from an exhaust fan at the Department of Environmental Management's Waste Water Reclamation Facility lab building in Kihei on March 27, 2018; and

WHEREAS, Reginald Balidoy is insured for such damage by State Farm Mutual Automobile Insurance Company; and

WHEREAS, State Farm Mutual Automobile Insurance Company, as Subrogee of Reginald Balidoy, has alleged that the County of Maui is liable for the damage caused to their insured's property; and

WHEREAS, the County of Maui and State Farm Mutual Automobile Insurance Company, 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,

Resolution No. _____

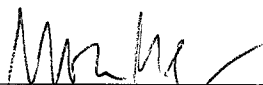
BE IT RESOLVED by the Council of the County of Maui:

1. That it hereby approves settlement of Claim No. 30180603955-0001 in the amount of NINE THOUSAND SEVEN HUNDRED SEVENTY-NINE AND 40/100 DOLLARS (\$9,779.40); and

2. That payment is authorized to satisfy settlement of this claim following the execution of the "Release of Property Damage Claim" by State Farm Mutual Automobile Insurance Company, as Subrogee of Reginald Balidoy; and

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

APPROVED AS TO FORM
AND LEGALITY:



MOANA M. LUTEY
Deputy Corporation Counsel
County of Maui
2018-0416