

**COON CREEK WATERSHED DISTRICT**  
**Request for Board Action**

**MEETING DATE:** January 13, 2025  
**AGENDA NUMBER:** 13  
**ITEM:** Board Waiver of Tort Liability

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**AGENDA:** Policy

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**BACKGROUND**

Effective for claims arising on or after July 1, 2009, the statutory municipal tort liability increased to \$500,000 per claimant and a total is \$1,500,000 per occurrence.

Organizations obtaining liability coverage from the League of Minnesota Cities Insurance Trust must decide whether or not to waive the statutory tort liability limits to the extent of the coverage purchased.

**ACTION REQUESTED**

Approve the signing of LMCIT Liability Coverage - Waiver Form indicating that the District **DOES NOT WAIVE** the monetary limits.

**COORDINATION**

Requested action is consistent with League of Minnesota Cities Guidelines and is a request from North Risk Partners, our insurance agent.

**PERTINENT FACTS**

The League of Minnesota Cities Insurance Trust (LMCIT) is a self-insured member cooperative that provides cost-effective coverage designed for the unique needs of cities.

The exposure of the District to legal liability has evolved over the years from almost complete protection under the doctrine of sovereign immunity to the current system where—with specific immunities, exceptions, and limits—the District is generally subject to liability for its wrongful acts and omissions (torts) in the same way that private individuals and corporations are liable. A tort is defined as a civil wrong or injury which arises out of a violation of a duty owed to an injured or damaged plaintiff.

Under Minnesota Statute 466.02 the District is also generally responsible for the torts of their agents when those people are acting within the scope of their authority. It makes no difference whether the tort happened while the District was performing a governmental function (like enforcing state or federal regulations) or performing a proprietary function (like maintaining drainage).

**ISSUES/CONCERNS/RISKS**

**Claim Recovery:** If the District does not waive the statutory tort limits an individual claimant cannot recover more than \$500,000.

**OPTIONS FOR ACTIONS**

<b>Option</b>	<b>If the District:</b>	<b>Then, Maximum Claimant Recovery is:</b>
1	Does not waive	Up to \$500,000
2	Waives and does not purchase excess liability insurance coverage	Up to \$2,000,000
3	Waives & Purchases excess liability insurance coverage	Up to the amount of excess coverage purchased

**CONCLUSION**

Do not waive the statutory tort liability limits.

**RECOMMENDATION**

Move to **not waive** the statutory tort liability limits.

**RECOMMENDED MOTION**

Board member \_\_\_\_\_ moves **NOT** to waive the statutory tort liability limits as outlined in the waiver form from the League of Minnesota Cities Insurance Trust. Seconded by Board Member \_\_\_\_\_.

**ACTION & IMPLEMENTATION STEPS**

1. Motion to not waive the statutory tort liability limits.
2. Inform insurance agent so they can finalize 2025 policy.