



**City of Racine, Wisconsin
Common Council**

AGENDA BRIEFING MEMORANDUM

INTRO TO COUNCIL DATE: August 6, 2025

STANDING COMMITTEE DATE: August 11, 2025

FINAL ACTION COUNCIL DATE: August 19, 2025

DEPARTMENT: City Attorney's Office

Prepared By: Deputy City Attorney Marisa L. Roubik

SUBJECT: Communication sponsored by Alder Land on behalf of the City Attorney's Office submitting the claim of Scott Olsen, SubroIQ, and Auto-Owners Insurance for consideration for disallowance.

EXECUTIVE SUMMARY:

SubroIQ filed a claim with the City of Racine on behalf of its client, Auto-Owners Insurance and their insured, Scott Olsen, requesting reimbursement of \$5,713.27 for alleged water damage incurred to the basement and exterior of the property located at 600 Kentucky St. in Racine, purportedly resulting from a burst water main in the vicinity of the residence on January 28, 2025. This claim is not actionable against the City or the Water Utility due to defects in the claim as filed, namely improper service of the claim and failing to sign the claim as required. Furthermore, neither the City nor the Water Utility had any constructive or actual knowledge of a defect in this water main on the date in question, and, therefore, the City and the Water Utility are not legally liable for the alleged damages.

For these reasons, it is the recommendation of the City Attorney's Office that this claim be disallowed.

BACKGROUND & ANALYSIS:

SubroIQ, P.O. Box 6228, Hermitage, Pennsylvania 16148-0923, filed a claim with the City of Racine on behalf of its client, Auto-Owners Insurance, P.O. Box 207, Appleton, Wisconsin 54912-0207, and their insured, Scott Olsen, of 600 Kentucky St., Racine, Wisconsin 53405, requesting reimbursement of \$5,713.27 for alleged water damage incurred to the basement and exterior of the property located at 600

Kentucky St. in Racine, purportedly resulting from a burst water main in the vicinity of the residence on January 28, 2025.

This claim is not actionable against the City or the Water Utility due to defects in the claim as filed. Contrary to Wis. Stat. § 893.80(1d), the claimant(s) failed to properly serve this claim on the City Clerk as required by state law. Furthermore, this claim was not signed by the claimant(s) as required by state law. Thus, the claimant(s) did not satisfy the statutory requirements for filing this claim under Wis. Stat. § 893.80(1d). Therefore, the claimants do not have a right to maintain an action against the City.

Furthermore, neither the City nor the Water Utility had any constructive or actual knowledge of a defect in this water main on the date in question, and, therefore, the City and the Water Utility are not legally liable for the alleged damages.

This January 28, 2025 water main break was the first break of record reported in the water main in this block. After the break in this water main was reported to the Water Utility at 8:00 PM on January 28, 2025, a crew from the Water Utility was on the scene to turn off the water and repair the break by 8:20 PM that same evening.

In instances, such as this, where neither the City nor the Water Utility had any constructive or actual knowledge of a defect in a water main, the City and the Water Utility cannot be held legally liable for the alleged damages resulting from such a defect. By law, the City is not liable for the claimants' alleged damages because Wis. Stat. § 893.80 confers broad immunity from suits on municipalities for acts that are considered "discretionary" in nature, such as the preemptive repair or replacement of water mains for which the City has no prior notice of a defect.

For the above stated reasons, it is the recommendation of the City Attorney's Office that this claim be disallowed.

BUDGETARY IMPACT:

Assuming the recommendation to disallow this claim is adopted, this item would have a \$0.00 impact on the City's budget.

RECOMMENDED ACTION:

That the disallowance of this claim be recommended for approval.
