



**City of Racine, Wisconsin
Common Council**

AGENDA BRIEFING MEMORANDUM

COMMITTEE: Finance and Personnel

LEGISLATION ITEM #: 0248-21

AGENDA DATE: April 12, 2021

DEPARTMENT: City Attorney's Office

Prepared By: Assistant City Attorney Marisa Roubik

SUBJECT: Communication sponsored by Alder Taft on behalf of the City Attorney's Office submitting the claim of Karina Peralta for consideration for disallowance.

EXECUTIVE SUMMARY:

Karina Peralta filed a claim with the City requesting \$250,000.00 in damages allegedly arising from an August 13, 2018 motor vehicle accident that may have been attributable, in part, to a stop sign that had been knocked down at the intersection of High Street and Charles Street. The City denies liability because it is immune from liability for damages that occur from discretionary acts of maintenance and inspection where the City has no prior notice of a defect.

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

BACKGROUND & ANALYSIS:

Karina Peralta, of 1629 Hamilton Street, Racine, Wisconsin, claims reimbursement in the amount of \$250,000.00 in damages allegedly arising from an August 13, 2018 motor vehicle accident that may have been attributable, in part, to a stop sign that had been knocked down at the intersection of High Street and Charles Street. After reviewing the circumstances of this claim, the City Attorney's Office contends that the City is not liable for these damages.

By law, the City is not liable for the claimant's 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 maintenance or inspection of traffic signs for which the City has no prior notice of a defect. In this instance, the City did not have notice of a stop sign having been knocked down at the intersection of High

31 Street and Charles Street until said issue was reported shortly after this accident occurred. Once the City
32 learned that this stop sign was down, the Department of Public Works immediately sent a worker out to
33 reinstall this sign. Because the City had no prior knowledge of this defect, the City cannot be held liable
34 for the alleged damages.

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

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38 **BUDGETARY IMPACT:**

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

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42 **OPTIONS/ALTERNATIVES:**

43 If the Committee recommends that this claim be paid by the City (contrary to any indication of
44 the City's liability for the alleged damages), this item would have up to a \$250,000.00 impact on the
45 City's 2021 claims budget.

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47 **RECOMMENDED ACTION:**

48 That the claim of Karina Peralta be disallowed.