



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 05/26/2026

REQUESTER: Ryan Riddel, Assistant City Attorney

PRESENTER: Ryan Riddel, Assistant City Attorney

ITEM TITLE: CONSIDERATION OF APPROVAL, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF RECOMMENDATION FROM THE CITY ATTORNEY THAT THE CITY COUNCIL APPROVE A SETTLEMENT OFFER FROM STATE FARM INSURANCE IN THE AMOUNT OF \$100,000 FOR DAMAGE TO CITY OF NORMAN WATER WELL #19. (U.S. Interstate 35 Service Road, near mile marker 115; Ward 8)

BACKGROUND:

An automobile insurance claim was filed by the City of Norman for damage to City Water Well #19 when it was struck by a vehicle that was traveling on US Interstate 35, on July 2, 2025. The driver's insurance company, State Farm, has offered payment for consideration and settlement of all matters related to this incident.

DISCUSSION:

On July 2, 2025, a vehicle was traveling northbound on US Interstate 35 when the driver had a medical episode and veered right, departing the roadway completely. His car continued traveling down the grass embankment, through a barrier fence and up the other side to the Service Road. This is when he had a head-on collision with the building which housed City of Norman Water Well #19. The incident rendered the vehicle immobile and emergency crews responded and transported the driver to the hospital. The driver's condition was not documented in the accident report.

City Well House #19 sustained heavy damage to its cinder block building, electronic components, heating elements, and above-ground piping. City staff submitted repair estimates totaling \$221,793 to the driver's insurance company, State Farm. State Farm has since notified City staff that the claim was approved however the policy maximum for property damage liability for a single incident are \$100,000.

City Attorney staff reviewed this offer and found that this amount of coverage is more than the usual maximum of \$25,000. Alternatively, pursuing the entire damage amount through a district court action instead of insurance would be costly and time consuming, with no guarantee of an award amount. Considering this, City Attorney staff now present this item for Council consideration.

If approved, the receipts will be recorded into the Other Revenue-Settlements revenue account (Account No. 319-366250).

RECOMMENDATION:

City Attorney staff recommend approval of the proposed settlement in the amount of \$100,000, to be issued by State Farm insurance for the incident described above. The release form in which this settlement is offered is attached and, if approved, requires signature by the Mayor.