



MEMORANDUM

TO: Administration Committee  
FROM: Pamela A. Captain, CA/HR  
SUBJECT: Hail Damage at Heckrodt Wetland Reserve  
DATE: Thursday, September 02, 2010

On July 20, 2010, buildings at the Heckrodt Wetland Reserve located at 1305 Plank Road sustained hail damage from a storm. An estimate of the damages has been forwarded to the City of Menasha by Heckrodt Wetland Reserve, Inc. (HWR), the management company for the reserve. It appears that the Main building, the Garage and the Lopas Learning Center are the buildings affected. Damages are estimated at \$43,526.77.

A review of the current executed lease and management agreement provides at paragraph 10:

10. Both parties release and relieve the other and waive their entire claim of recovery of loss or damage to owned or rented property arising out of or incident to fire, lightning and the perils included in the extended coverage about the premises, whether due to negligence of either of the parties, their agents or employees or otherwise; provided, however, that the insurance contracts obtained under this agreement do not prohibit such waiver.

Property insurance for HWR covering current and future fully completed structures and additions thereto of such nature and covering such structures, buildings, improvements and additions thereto which is customary and consistent with the City's casualty insurance coverage shall be carried by the city. The City's coverage shall take effect when the structure or building is fully constructed and accepted by the City. Until such event, and during all times when the building or structure is under construction, renovation, and/ or remodeling, HWR shall acquire and maintain adequate insurance for same. To the extent that the City's current building and structure insurance has a deductible, in the event that a claim is made against the City's insurance coverage for a structure utilized by HWR, HWR shall be responsible for and shall timely pay to the City the entire amount of such deductible in each incident.

The City's general property coverage is through the State of Wisconsin Local Government Property Insurance Fund. It appears that the Heckrodt buildings are not listed on the Statement of Values which is the document that lists City-owned buildings/structures.

City staff is working with HWR and staff from the Local Government Property Insurance Fund to resolve this issue. Further information will be forthcoming.