



**Title:** Authorization to Accept or Waive the Tort Liability Limits on the MCWD Property & Casualty Insurance Policy

**Resolution number:** 26-024

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**Recommended action:** The Board is asked to accept or waive the monetary tort liability limits for municipalities as set out in Minnesota Statute §466.04

**Past Board action:** February 27, 2025                      Acceptance of Tort Liability Limits

**Summary:**

The District's property & casualty insurance is contracted through the League of Minnesota Cities Insurance Trust (LMCIT). The insurance policies are due for renewal on May 24, 2026.

As part of the renewal process the Board of Managers must decide if they wish to waive or accept the monetary limits on tort liability established by Minnesota Statute §466.04. The statute sets the limits for individual recovery at \$500,000 per occurrence and combined recovery for a single occurrence at \$1,500,000.

In previous actions the Board has accepted the statutory tort liability limits.

**Supporting documents:**

LMCIT Liability Coverage – Waiver Form



**RESOLUTION**

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WHEREAS, the District’s property and casualty insurance policy is contracted through the League of Minnesota Cities Insurance Trust (LMCIT);

WHEREAS, the insurance policy is due for renewal on May 24, 2026;

WHEREAS, a policy provision on tort liability claims established by Minnesota Statute § 466.04 sets the limits for individual recovery at \$500,000 per occurrence and combined recovery for a single occurrence at \$1,500,000;

WHEREAS, a board determination must be made to waive or accept these monetary limits on tort liability; and

WHEREAS, in previous board actions the Board of Managers have concurred with the statute provision for public asset protection through the established tort liability limits.

NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek Watershed District Board of Managers accepts the statutory tort liability limits as set forth in Minnesota Statute § 466.04 and authorizes the District Administrator to advise the LMCIT accordingly.

Resolution Number 26-024 was moved by Manager \_\_\_\_\_, seconded by Manager \_\_\_\_\_. Motion to adopt the resolution \_\_\_ ayes, \_\_\_ nays, \_\_\_ abstentions. Date: 2/26/2026

\_\_\_\_\_  
Secretary Date: \_\_\_\_\_

## LIABILITY COVERAGE WAIVER FORM

**Members who obtain liability coverage through the League of Minnesota Cities Insurance Trust (LMCIT) must complete and return this form to LMCIT before their effective date of coverage. [Email completed form to your city's underwriter](#), to [pstech@lmc.org](mailto:pstech@lmc.org), or fax to 651.281.1298.**

Members who obtain liability coverage from LMCIT must decide whether to waive the statutory tort liability limits to the extent of the coverage purchased. *The decision to waive or not waive the statutory tort limits must be made annually by the member's governing body, in consultation with its attorney if necessary.* The decision has the following effects:

- *If the member does not waive the statutory tort limits*, an individual claimant could recover no more than \$500,000 on any claim to which the statutory tort limits apply. The total all claimants could recover for a single occurrence to which the statutory tort limits apply would be limited to \$1,500,000. These statutory tort limits would apply regardless of whether the member purchases the optional LMCIT excess liability coverage.
- *If the member waives the statutory tort limits and does not purchase excess liability coverage*, a single claimant could recover up to \$2,000,000 for a single occurrence (under the waive option, the tort cap liability limits are only waived to the extent of the member's liability coverage limits, and the LMCIT per occurrence limit is \$2,000,000). The total all claimants could recover for a single occurrence to which the statutory tort limits apply would also be limited to \$2,000,000, regardless of the number of claimants.
- *If the member waives the statutory tort limits and purchases excess liability coverage*, a single claimant could potentially recover an amount up to the limit of the coverage purchased. The total all claimants could recover for a single occurrence to which the statutory tort limits apply would also be limited to the amount of coverage purchased, regardless of the number of claimants.

Claims to which the statutory municipal tort limits do not apply are not affected by this decision.

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*Check one:*

- The member **DOES NOT WAIVE** the monetary limits on municipal tort liability established by [Minn. Stat. § 466.04](#).
- The member **WAIVES** the monetary limits on municipal tort liability established by [Minn. Stat. § 466.04](#), to the extent of the limits of the liability coverage obtained from LMCIT.

LMCIT Member Name:

Date of member's governing body meeting:

Name of person completing this form:

Position of person completing this form:

Signature of person completing this form: