TORONTO TRANSIT COMMISSION REPORT NO.

MEETING DATE: FEBRUARY 17, 2010

SUBJECT: INSURANCE SETTLEMENT

ACTION ITEM

REASON FOR CONFIDENTIAL INFORMATION:

This report contains advice or communications that are subject to solicitor-client privilege.

RECOMMENDATION

It is recommended that the Commission approve:

- 1. The confidential recommendation regarding the insurance settlement as described in the Confidential Attachment; and
- 2. That the contents of the Confidential Attachment remain confidential in their entirety as it contains advice which is subject to solicitor-client privilege.

BACKGROUND

On April 19, 2008, a collision occurred between a two car train and a four car train at the north end of the run around track at Wilson Yard. Four of the six cars (vehicles 5184, 5185, 5326 and 5327) sustained extensive damage, rendering them inoperable. Damage to these cars was extensive and due to the complex engineering and material issues, as well as facility and workforce availability, the scope of work required was beyond the in-house capabilities of the Commission. Bombardier Inc., the original car builder, was retained to provide expert advice on the feasibility and cost of repairing the vehicles.

At the time of the incident, our insurers were notified and since then staff have been working with the external adjuster assigned by the insurer to the file to achieve an appropriate insurance settlement.

DISCUSSION

The purpose of the Confidential Attachment is to provide a recommendation with respect to the insurance settlement arising from the collision of two subway trains in Wilson Yard on April 19, 2008.

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February 17, 2010 42.51 Confidential Attachment