



## CITY COUNCIL ITEM SUMMARY

<b>MEETING DATE:</b>	May 1, 2025
<b>SUBCATEGORY:</b>	Other
<b>DEPARTMENT NAME:</b>	Administration Department
<b>AGENDA ITEM TITLE:</b>	Release of Property Damage Claims for Water Administration Building
<b>DEPARTMENT SUMMARY RECOMMENDATION:</b>	<p>Last October our new Water Administration Building had a water leak from a demineralized water filter system due to a hose clamp that was not properly tightened by Total Water Solutions who installed the equipment. The water leak started around 3 AM on October 17, 2024 and was not discovered until employees began to arrive that morning, and by the time the water was shut off, there was approximately 1 to 1 ½ inches of water in most of the building. We contracted with Reeves-Young to have the building repaired back to its original condition, and over the past several months we have been dealing with Total Water Solutions insurance company who was \$200,000+ lower in the cost to repair the building and get the Water Lab back to operating condition. In addition to the significant difference in repair costs approved by Sentry Insurance and what the actual costs were from Reeves-Young, there was going to be an additional \$230,000 cost for a mobile lab to be onsite while Reeves-Young repairs our Water Lab. After some discussion with Sidney Forsyth and Brent Beck, they found an alternative solution for us on to maintain our water testing requirements during construction, and this allowed me to negotiate a settlement with Sentry Insurance, that would not cost the city, therefore, I recommend approval for the Mayor- Pro-Tem to sign the property damage release form.</p>
<b>LEGAL:</b>	N/A