



## AGENDA ACTION FORM

### **Consideration of a Resolution Authorizing the Disbursement of Insurance Proceeds for Remediation Services at the Tribe Athletic Complex**

To: Board of Mayor and Aldermen

From: Chris McCartt, City Manager *CM*

Action Form No.: AF-231-2023

Work Session: July 17, 2023

First Reading: N/A

Final Adoption: July 18, 2023

Staff Work By: Bart Rowlett

Presentation By: Bart Rowlett

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#### **Recommendation:**

Approve the Resolution.

#### **Executive Summary:**

This resolution authorizes the disbursement of insurance proceeds in the amount of \$795,063.09 as well as \$25,000 from the school's risk fund for a total disbursement of \$820,063.09 to C & C Restoration, Inc.

On December 25, 2022, during a period of extreme cold, the areas of the former North High School building, now referred to as the Tribe Athletic Complex, suffered water damage due to multiple sprinkler breaks. Based on *Kingsport Code of Ordinances § 2-605* a competitive solicitation process was not utilized to select a vendor for remediation work as an emergency purchase.

Travelers Indemnity Company, city's property insurer, calculated a payment of \$1,220,063.09 for the mitigation work. This sum includes city's deductible of \$25,000.

It is recommended the board authorize the disbursement of \$820,063.09 to C & C Restoration, Inc., which when coupled with an initial disbursement of \$400,000 equals the sum of \$1,220,063.09 for the remediation work.

A dispute exists between the parties as to the difference between the sum calculated by Traveler's Indemnity Company and the sum alleged by C & C Restoration, Inc.

The Kingsport Board of Education voted to authorize the disbursement at its July 11<sup>th</sup>, 2023 meeting.

The funds are available in account GP1733-311-0000-601-9003 and the school's risk fund.

#### **Attachments:**

1. Resolution

	Y	N	O
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—