

Legislation Text

File #: R-1718-116, Version: 1

<u>RESOLUTION R-1718-116</u>: A RESOLUTION OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA, APPROPRIATING \$33,720 FROM THE REIMBURSEMENTS REFUNDS, MISCELLANEOUS RISK MANAGEMENT ACCOUNT TO REPAIR AND REPLACE DAMAGED STORM SIREN UNIT 43.

<u>BACKROUND</u>: A damage claim was submitted to Silver Star Construction Company and Zurich American Insurance Company for reimbursement of a damaged storm siren located at 96th Avenue Northeast between Rock Creek Road and Tecumseh Road.

DISCUSSION: On May 25, 2016, Silver Star Construction Company (Silver Star) was awarded a contract with the City to perform work on Project No. 6 of a Community Development Block Grant (CDBG-DR). This contract provided for the reconstruction of a two-lane rural road, which was located in the direct vicinity of the City's Storm Siren Unit 43.

On or about November 3, 2017, the City received notice that Storm Siren Unit 43 located at 96th Avenue Northeast was damaged. Emergency Management Coordinator, David Grizzle, went to the site and exchanged information with a representative of Silver Star who informed him their insurance carrier, Zurich American Insurance Company (Zurich American), would be notified of the claim.

Subsequently, Mr. Grizzle repeatedly attempted to obtain an update on the status of the claim through Zurich American. However, the City was not contacted until February 2, 2018. At that time their insurance claims adjuster notified Mr. Grizzle a claim number had been assigned, but were contesting the damage was caused by a construction apparatus and were alleging the siren had been improperly installed. The insurance adjuster had an expert examine the damage. On February 26, 2018, Mr. Grizzle met at the site with a Zurich American field adjuster, who again disputed the damage was caused by a road grader and the siren had been improperly installed. Thereafter, the field adjuster conducted further research and consulted with the manufacturer of the siren pole, SafetyCom, Inc. SafetyCom provided a quote for repairs in the amount of \$33,720.00.

On April 25, 2018, Zurich American agreed to pay the amount of \$33,720.00 for damage to the storm siren. Payment was received on May 7, 2018, and placed in the Risk Management Fund (account 043-0000-367.12-64).

RECOMMENDATION: Staff recommends approval of R-1718-116 for the appropriation of \$33,720.00 from the Risk Management fund (043-0000-367.12-64) to the Public Safety, Disaster Preparedness Maintenance and Repairs account (010-6444-422.42-11). These funds will be used for the replacement of damaged Storm Siren Unit 43 located at 96th Avenue Northeast.