



MEETING OF AUGUST 15, 2023

TO: Mayor Jordan and City Council
THRU: Susan Norton, Chief of Staff
FROM: Tim Nyander, Utilities Director
DATE:
SUBJECT: **Misty Simpson Water Damage Claim at 2425 E. Sharon St.**

RECOMMENDATION:

The Utilities Department Director recommends to the Mayor to request approval of payment to Misty Simpson for water damage to the residence located at 2425 E. Sharon Street resulting from a large City water main break.

BACKGROUND:

On September 20, 2021, the City of Fayetteville experienced a large 36-inch diameter water main break on N. Makeig Ct. Misty Simpson owns the home located at 2425 E. Sharon St. This large water main break caused substantial amounts of flooding and damage to the neighborhood and to the Simpson residence. Misty Simpson's insurance company denied her claim, so she immediately filed a damage claim with the City after the incident.

DISCUSSION:

Per City Code Section 39.10 – Water and Wastewater Damage Claims, “The Utilities Department Director may not authorize any payment greater than \$10,000.00 for any claim pursuant to this section. The Mayor may request the City Council to authorize an amount greater than \$10,000.00 by resolution, but in no case shall the city pay more than \$25,000.00 pursuant to this claims procedure for a damage claim related to a water or wastewater utility infrastructure occurrence unless in an extraordinary case the Mayor recommends and the City Council by two-thirds ($\frac{2}{3}$) majority approves an exemption from the \$25,000.00 damage cap and approves a payment up to \$50,000.00.”

Partial payments have previously been made to Misty Simpson, Privacy Fence Inc., A Clean-Cut Lawn Care, Stanley Steemer, and Hall Engineering in the amount of \$19,961.77 for loss of personal belongings, flooring and ductwork cleaning, structural investigation, fence replacement, and landscaping services.

The water main break flooded the residence and caused major damage to the foundation of the home. The claimant is requesting payment in the amount of \$61,200.00 for the repair of the foundation, driveway and sidewalk. The water main break also damaged areas in a bathroom and bedroom with a repair request of \$16,075. The claimant is requesting payment in the amount of \$5861.33 plus any taxes for remediation of the front and side yard and the repositioning of a storage shed. The claimant is requesting payment in the amount of \$14,801.98 for rebuilding a back patio. The claimant requested payment for fencing and back yard landscaping in the amount of \$12,610, but the City has previously paid for these services. They do not qualify

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for consideration.

The total repair amount Misty Simpson is requesting, excluding those repairs already paid by the City, is in the amount of \$97,938.31. Below is a summary list of the expenses Misty Simpson has provided quotes for:

Date	Business	Amount	Description
2/22/2023	Precision Foundation Specialists	\$61,200.00	Foundation repair
5/31/2023	Fanning Construction	\$16,075.00	Bathroom and bedroom repair
5/4/2023	NWA Creative Spaces LLC	\$5,861.33	Yard repair – taxes not included
7/6/2023	Fanning Construction	\$14,801.98	Patio repair
	Total	\$97,938.31	

Staff requests approval to reimburse Misty Simpson for the maximum amount allowed by Section §39.10 of the City Code.

BUDGET/STAFF IMPACT:

Funds are available in the Insurance Self (Non-Vehicle Damage) account within the Water & Sewer fund.

ATTACHMENTS: SRF Misty Simson Water Damage Claim, Claim Documentation



City of Fayetteville, Arkansas

113 West Mountain Street
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Legislation Text

File #: 2023-962

Misty Simpson Water Damage Claim at 2425 E. Sharon St.

A RESOLUTION PURSUANT TO §39.10(C)(4) OF THE FAYETTEVILLE CITY CODE TO AUTHORIZE THE MAYOR TO PAY THE AMOUNT OF \$50,000.00 TO MISTY SIMPSON FOR A WATER DAMAGE CLAIM ARISING AT 2425 EAST SHARON STREET

WHEREAS, pursuant to §39.10(C)(4) of the City Code, the City Council may, in an extraordinary case upon the Mayor's recommendation and by two-thirds majority, approve the payment of water or sewer damage claims exceeding \$25,000.00 up to \$50,000.00; and

WHEREAS, the City has already made partial payments on a damage claim at 2425 East Sharon Street to Misty Simpson, Privacy Fence, Inc., A Clean-Cut Lawn Care, Stanley Steemer, and Hall Engineering in the amount of \$19,961.77.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1: That the City Council of the City of Fayetteville, Arkansas, pursuant to § 39.10(C)(4) of the Fayetteville City Code, authorizes Mayor Jordan to pay the total amount of \$50,000.00 (of which \$19,961.77 has already been paid) to or on behalf of Misty Simpson for expenses related to the water main break damage at 2425 East Sharon Street.