

City of Fayetteville Staff Review Form

2022-0816

Legistar File ID

9/20/2022

City Council Meeting Date - Agenda Item Only
N/A for Non-Agenda Item

Tim Nyander

9/1/2022

WATER SEWER (720)

Submitted By

Submitted Date

Division / Department

Action Recommendation:

Staff recommends approval of a budget adjustment in the amount of \$100,000.00 to cover water leak and sewer overflow damage claims that may occur in 2022.

Budget Impact:

5400.720.4310-5311.04 and 5400.720.4410-5311.04

Water and Sewer

Account Number

Fund

N/A

N/A

Project Number

Project Title

Budgeted Item? Yes

Current Budget \$ 302,435.00

Funds Obligated \$ 300,097.61

Current Balance **\$ 2,337.39**

Does item have a cost? No

Item Cost \$ -

Budget Adjustment Attached? Yes

Budget Adjustment \$ 100,000.00

Remaining Budget **\$ 102,337.39**

V20210527

Purchase Order Number: _____

Previous Ordinance or Resolution # _____

Change Order Number: _____

Approval Date: _____

Original Contract Number: _____

Comments:



MEETING OF SEPTEMBER 20, 2022

TO: Mayor and City Council
THRU: Susan Norton, Chief of Staff
FROM: Tim Nyander, Utilities Director
DATE: September 2, 2022
SUBJECT: Budget Adjustment for Damage Claims Water Line Breaks & Sewer Overflows

RECOMMENDATION:

Staff requests a Budget Adjustment in the amount of \$100,000 to cover Water Leak and Sewer overflow claims that may need to be paid in 2022.

BACKGROUND AND DISCUSSION:

There were some major claims in 2021 that will not be settled until this year, because the process for requesting reimbursement of large claims is time consuming for both the residents and city staff. Many contractors already have commitments to larger projects so are unable to bid on the home repairs after water or sewer damage occurs. The current materials market also means long lead times on the materials needed for repair.

The dollar amount that is anticipated to be considered for reimbursement by the City Council requires a budget adjustment to cover additional claims that may occur in 2022.

BUDGET/STAFF IMPACT:

Funds are available in the Water System Rehabilitation and Sewer System Rehabilitation accounts to transfer into the Self-Insurance, Non-Vehicle Damage accounts within the Water and Sewer fund.

Attachments:

Budget Adjustment