



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 24

Agenda Date: December 12, 2024

In Control: City Council A Session

DEPARTMENT: Public Works Department

DEPARTMENT HEAD: Razi Hosseini

COUNCIL DISTRICTS IMPACTED: District 3

SUBJECT:

Insurance Property Damage Release: Stonewall Avenue

SUMMARY:

An ordinance approving an Insurance Property Damage Release agreement between the Ohio Security Insurance Company (dba Liberty Mutual Insurance) and the City of San Antonio to accept funds in an amount not to exceed \$89,005.91 for property damage incurred at Stonewall Avenue resulting from work completed for Netspan Corporation and Foremost Telecommunications Corporation. Funds will be deposited into the Storm Water Operating Fund.

BACKGROUND INFORMATION:

Project Background

As part of FY 2023 Corrugated Metal Pipe (CMP) Rehabilitation program the contractor, Lewis Concrete Restoration (LCR), rehabilitated a storm drainage CMP along Stonewall Avenue. Work began in December 2022, and was completed in February 2023. As customary, to confirm the rehabilitation was completed successfully, the contractor, LCR, televised the pipe for inspection. During the inspection in late February 2023, it was identified that a utility intrusion occurred near Stonewall Avenue between Pleasanton Road and South Flores Street.

City of San Antonio Right of Way division was notified and contacted the utility contractor, Foremost Telecommunications Corporation (Foremost) in March 2023. An insurance claim was filed with the Ohio Security Insurance Company (dba Liberty Mutual Insurance). On September 10, 2024, an agreement on the insurance claim was reached that the insurer would reimburse the City for rehabilitation and repair for Stonewall Avenue. Repair work has been completed by the City's CMP contractor and the amount reimbursed from the proposed insurance claim will be programmed towards future CMP projects.

ISSUE:

This ordinance approves an Insurance Property Damage Release agreement between the Ohio Security Insurance Company (dba Liberty Mutual Insurance) and the City of San Antonio to accept funds in an amount not to exceed \$89,005.91 for property damage incurred at Stonewall Avenue resulting from work completed for Netspan Corporation and Foremost Telecommunications Corporation. Funds will be deposited into the Corrugate Metal Pipe Rehabilitation project. This ordinance reimburses the City for the repair work completed by the City's FY 2023 Corrugated Metal Pipe (CMP) Rehabilitation program contractor that originally completed the FY 2023 CMP Stonewall Avenue project funded by Storm Water Operating Funds.

ALTERNATIVES:

Alternatively, the City Council could choose not to accept these funds; however, the City will not be able to recover costs that the City used to accelerate the repairs to elevate further damage to the City's storm drainpipe, and the City will also lose the opportunity to invest recouped funding toward future drainpipe projects.

FISCAL IMPACT:

This ordinance approves the execution of an Insurance Property Damage Release between Ohio Security Insurance Company (Liberty Mutual Insurance) and the City of San Antonio to accept funds in the reimbursed amount not to exceed \$89,005.91 from Ohio Security Insurance Company to the Storm Water Operating Fund for property damage near Stonewall Avenue resulting from work completed for Netspan Corporation and Foremost Telecommunications Corporation. This ordinance reimburses the City for the repair work completed by the City's FY 2023 Corrugated Metal Pipe (CMP) Rehabilitation program contractor that originally completed the FY 2023 CMP Stonewall Avenue project funded by Storm Water Operating Funds.

RECOMMENDATION:

Staff recommends approval.