

Legislation Text

#### File #: 1667-2021, Version: 1

### **BACKGROUND:**

This Ordinance is submitted to settle a property and economic damages claim in the amount \$75,000.00. There has been ongoing flooding of the property and business located at the property, and the property owner has claimed that physical and economic damages have resulted from water flowing from the city's storm sewer infrastructure into a private storm sewer on the property at 4510 Kenny Road, Columbus OH. There is no recorded easement related to this connection. The City Attorney, in consultation with the Department of Public Utilities, has determined that it is in the city's best interest to settle this claim. The property owner will release the city from liability related to these claims and has agreed to accept \$75,000.00 in complete settlement of the claims.

This legislation authorizes the City Auditor to transfer appropriation within the Storm Sewer Operating Fund to allow for the reallocation of funds budgeted to provide the additional funding needed for the payment of the claims.

# FISCAL IMPACT:

Funds were not specifically budgeted for this settlement; however, sufficient monies are available in the Department of Public Utilities' Storm Sewer Operating Fund budget to fund the transfer of appropriation which totals \$65,000.00. This ordinance includes a transfer of \$65,000.00 from Object Class 01-Personnel to Object Class 05-Other for this purpose.

#### **EMERGENCY DESIGNATION:**

Emergency legislation is necessary to ensure settlement is paid in a timely manner.

To authorize the City Auditor to transfer \$65,000.00 in appropriation authority between Object Classes within the Storm Sewer Operating Fund; to authorize and direct the City Attorney to settle a damages claim submitted by SHB Holdings, LLC and Harrison's on Kenny, LLC; to authorize the expenditure of \$75,000.00 from the Storm Sewer Operating Fund for settlement payment; and to declare an emergency.

WHEREAS, there has been ongoing flooding at the property located at 4510 Kenny Road, Columbus OH, and the property owner has claimed that physical and economic damages have resulted from water flowing from the city's storm sewer infrastructure into a private storm sewer on the property causing property damage and economic damage to the business located at the property. There is no recorded easement related to this connection; and

**WHEREAS,** the City Attorney, in consultation with the Department of Public Utilities, has determined that it is in the city's best interest to settle this claim. The property owner will release the city from liability related to these claims and has agreed to accept \$75,000.00 in complete settlement of the claims; and

**WHEREAS,** the Division of Sewerage and Drainage-Stormwater has a need to transfer \$65,000.00 in appropriation authority between Object Classes within the 2021 Storm Sewer Operating Fund's budget to allow for the payment of the damages claim in the amount of \$75,000.00 to proceed. Appropriation authority for the transfer has been identified and is available in Object Class 01 (Personnel); and

WHEREAS, an emergency exists in the usual daily operations of the Department of Public Utilities in that it is immediately necessary to authorize the transfer and expenditure within the Storm Sewer Operating Fund and to authorize and direct the City Attorney to pay this claim, which is in the best interest of the City, and to pay the agreed sum without delay; NOW, THEREFORE:

# **BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:**

**SECTION 1.** That the City Auditor be and is hereby authorized to transfer existing available appropriations of \$65,000.00 from Object Class 01 Personnel to Object Class 05 Other in Fund 6200 Storm Sewer Operating Fund.

**SECTION 2.** That the City Attorney be and hereby is authorized and directed to settle the SHB Holdings, LLC and Harrison's on Kenny, LLC damages claim in the sum of \$75,000.00, as a reasonable and fair amount and in the best interest of the City of Columbus.

**SECTION 3.** That for purposes of paying this settlement there be, and hereby is authorized to be, payment by the City of Columbus, from the Department of Public Utilities' Fund 6200 Storm Sewer Operating Fund, in object class 05-Other, the sum of \$75,000.00, or so much thereof as may be needed, per the accounting codes in the attachment to this ordinance.

**SECTION 4.** That the City Auditor be, and is hereby authorized, to draw a warrant upon the City Treasurer for the sum of \$75,000.00, made payable to Plank Law Firm, LPA, 411 East Towne St., FL 2, Columbus, OH 43215-4748, on behalf of SHB Holdings, LLC and Harrison's on Kenny, LLC.

**SECTION 5.** That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor or ten (10) days after passage if the Mayor neither approves nor vetoes.