

**City of Palmer
Resolution No. 23-015**

Subject: Authorize the City Manager to Advance \$583,482 from the General Fund Unassigned Fund Balance to the Water and Sewer Fund for the Insulation Repairs to Reservoir 4 Heavily Damaged in the January 2022 Windstorm

Agenda of: May 23, 2023

Council Action: **Approved** **Amended:** _____
 Defeated

Originator Information:

Originator: Jude Bilafer, Director of Public Works

Department Review:

| Route to: | Department Director: | Signature: | Date: |
|-----------|-----------------------|------------|------------|
| _____ | Community Development | _____ | _____ |
| _____ | Finance | _____ | _____ |
| _____ | Fire | _____ | _____ |
| _____ | Police | _____ | _____ |
| X | Public Works | <i>JPB</i> | 05/03/2023 |

Certification of Funds:

Total amount of funds listed in this legislation: \$ 583,482

This legislation (√):

- Creates revenue in the amount of: \$ _____
- Creates expenditure in the amount of: \$ 583,482
- Creates a saving in the amount of: \$ _____
- Has no fiscal impact

Funds are (√):

- Budgeted Line item(s): 02-01-10-6078 Transfers Out; 24-00-00-3673 Transfer from Other Fund
- Not budgeted 24-52-10-6226 Reservoir 4 Repairs

Director of Finance Signature: *[Signature]*

Approved for Presentation By:

| | Signature: | Remarks: |
|---------------|---------------------------|----------|
| City Manager | <u><i>[Signature]</i></u> | _____ |
| City Attorney | _____ | _____ |
| City Clerk | _____ | _____ |

Attachment(s):

1. Resolution No. 23-015

Summary Statement/Background:

In January 2022, a severe windstorm heavily damaged the exterior insulation of Reservoir 4, located on Trunk Road near the Mat-Su College. Disaster declarations were proclaimed at both the federal and state levels. Discussions with the Federal Emergency Management Agency (FEMA) and the City's insurance company began shortly after the disaster declarations were received and remain on-going. A damage assessment on reservoir 4 was completed in May of 2022. HDL engineering was hired to design the repairs for reservoir and to provide construction administration services during repairs. The insulation repair project bids were opened on 27 April 2023.

\$918,113 is the total cost for design services, construction administration, and the insulation repair project.

The City has received to date \$334,631 from the City's insurance company. Additional reimbursements from the insurance company will occur upon completion of the insulation repairs project. In the interim, the unassigned fund balance from the General Fund loaned to the Water and Sewer Fund will allow for the completion of this project and then the General Fund will be reimbursed by insurance.

Administration's Recommendation:

Approve Resolution No. 23-015.

LEGISLATIVE HISTORY

Introduced by: Manager Moosey
Date: 5/23/2023
Public Hearing: 5/23/2023
Action: Approved
Vote: Unanimous

| Yes: | No: |
|------------------|-----|
| Tudor | |
| Melin | |
| Anzilotti | |
| Best | |
| Ojala IV | |
| Mayor Carrington | |
| Alcantra | |

CITY OF PALMER, ALASKA

Resolution No. 23-015

A Resolution of the Palmer City Council Authorizing the City Manager to Advance \$583,482 from the General Fund Unassigned Fund Balance to the Water and Sewer Fund for the Insulation Repairs to Reservoir 4 Heavily Damaged in the January 2022 Windstorm

WHEREAS, the City of Palmer, Alaska (the "City") is a home rule city and under Section 11 of Article X of the Alaska Constitution may exercise all legislative power not prohibited by law or the charter of the City, and the City has determined that the matters set forth in this resolution are not prohibited by law or the charter; and

WHEREAS, the City of Palmer was impacted by a severe winter storm 1-4 January 2022; and

WHEREAS, the City's Reservoir 4 was heavily damaged during the 1-4 January 2022 windstorm; and

WHEREAS, it is necessary and in the best interest of the City and its residents that the City advance these funds from the General Fund Unassigned Fund Balance to the Water Sewer Fund for these repairs; and

WHEREAS, the City's Insurance will reimburse the cost of the repairs.

NOW, THEREFORE, BE IT RESOLVED, the Palmer City Council hereby appropriates funding from the General Fund Unassigned Fund Balance to the Water Sewer Fund for the Reservoir 4 Insulation Repairs Project in an amount not to exceed \$583,482.

Approved by the Palmer City Council this 23rd day of May, 2023.



Shelly M. Acteson, CMC, City Clerk



Steve Carrington, Mayor